

Public Document Pack

Mid Devon District Council

Environment Policy Development Group

Tuesday, 26 November 2019 at 5.30 pm
Exe Room, Phoenix House, Tiverton

Next ordinary meeting
Tuesday, 14 January 2020 at 5.30 pm

Those attending are advised that this meeting will be recorded

Membership

Cllr B G J Warren
Cllr E J Berry
Cllr W Burke
Cllr D R Coren
Cllr B Holdman
Cllr R F Radford
Cllr R L Stanley
Cllr Ms E J Wainwright
Cllr J Wright

A G E N D A

Members are reminded of the need to make declarations of interest prior to any discussion which may take place

- 1 **Apologies and substitute Members**
To receive any apologies for absence and notices of appointment of substitute Members (if any).
- 2 **Declarations of Interest under the Code of Conduct**
Councillors are reminded of the requirement to declare any interest, including the type of interest, and reason for that interest, either at this stage of the meeting or as soon as they become aware of that interest.
- 3 **Public Question Time**
To receive any questions relating to items on the Agenda from members of the public and replies thereto.
Note: A maximum of 30 minutes is allowed for this item.
- 4 **Minutes of the Previous Meeting (Pages 5 - 10)**
Members to consider whether to approve the minutes of the last meeting of the Group held on the 24th September 2019 as a correct record.

The Group is reminded that only those members of the Group present at the previous meeting should vote and, in doing so, should be influenced only by seeking to ensure that the minutes are an accurate record.

5 **Chairman's Announcements**

To receive any announcements that the Chairman may wish to make.

6 **Motion 559 (Councillor R B Evans - 22 October 2019)**

To consider the motion passed to the PDG from the Council (originally proposed by Cllr R B Evans).

It is well known that the planting of trees has an extremely positive effect in the fight against reducing carbon within the atmosphere, each trees sequestration process is known to benefit carbon reduction as each individual tree can absorb as much as 48 pounds of carbon dioxide per year and can sequester 1 ton of carbon dioxide by the time it reaches 40 years old. Given the above and the climate crisis declared by this council and its stated ambition to be carbon neutral by 2030 I ask that the following motion be supported by all members.

This council agrees to use any and all land within the ownership of the authority that is not suitable for development, for the planting of native British trees.

This council agrees to undertake an area wide audit with the assistance of members and land owners to identify suitable sites both within MDDC ownership and private ownership to maximise opportunities for such activity, to be completed within no more than twelve months from the date of this motion , if approved.

This council agrees to work alongside community groups and schools whenever possible to encourage community ownership and sense of place and wellbeing within our communities.

This council agrees that any and all opportunities should be sought to obtain trees from organisations such as government agencies and relevant charitable organisations. (Woodland Trust, Plant Life, DEFRA / Forestry Commission seeking any funding that may be available).

Please note: Having considered the above Motion the Policy Development Group are asked to consider whether this Motion should either be supported or rejected. This decision will be referred back to Council on 8th January 2020.

7 **Corporate Plan (Pages 11 - 16)**

To receive and consider the draft Corporate Plan.

8 **Net Zero Working Group Update (Pages 17 - 20)**

The Chairman of the Net Zero Working Group to provide an update on action to date and future plans and the Group to agree that Cllr E J

Berry be a full member of the Working Group.

9 **Government Scheme for funding on street electric vehicle charging points** (Pages 21 - 28)

To receive a response to a public question regarding if the Council is going to sign up to the Office for Low Emission Vehicles Government funding for electric car charging points on the road.

10 **Climate Change Footprint Baseline Calculation** (Pages 29 - 34)

To provide Members with an update on progress made with establishing a Carbon Footprint for the Council's operational activities.

11 **Single Use Plastics** (Pages 35 - 46)

To receive an update on the progress of Motion 549, adopted on 29th August 2019, on the reduction in use of single use plastics.

12 **Environment Educational and Enforcement Team Update** (Pages 47 - 50)

To provide an update on the performance of the Street Scene Education and Enforcement Team and agree the priorities of the team going forward.

13 **Financial Monitoring** (Pages 51 - 72)

To consider a report from the Group Manager for Finance presenting the financial monitoring information for the income and expenditure to date.

14 **Draft Budget** (Pages 73 - 100)

To receive a report from the Deputy Chief Executive (S151) considering the options available in order for the Council to set a balanced budget for 2020/2021 and agree a future strategy for further budget reductions for 2021/2022 onwards.

15 **Performance and Risk** (Pages 101 - 108)

To provide Members with an update on performance against the corporate plan and local service targets for 2019-2020 as well as providing an update on the key business risks.

16 **Identification of Items for Future Meetings**

Note: This item is limited to 10 minutes. There should be no discussion on the items raised.

Group to note that the following items are due at the next meeting:

- Environment Educational Enforcement Policy
- Climate Strategy and Action Plan
- Bereavement Services Fees and Charges
- Financial Monitoring
- Budget

Stephen Walford
Chief Executive
Monday, 18 November 2019

Anyone wishing to film part or all of the proceedings may do so unless the press and public are excluded for that part of the meeting or there is good reason not to do so, as directed by the Chairman. Any filming must be done as unobtrusively as possible from a single fixed position without the use of any additional lighting; focusing only on those actively participating in the meeting and having regard also to the wishes of any member of the public present who may not wish to be filmed. As a matter of courtesy, anyone wishing to film proceedings is asked to advise the Chairman or the Member Services Officer in attendance so that all those present may be made aware that is happening.

Members of the public may also use other forms of social media to report on proceedings at this meeting.

Members of the public are welcome to attend the meeting and listen to discussion. Lift access the first floor of the building is available from the main ground floor entrance. Toilet facilities, with wheelchair access, are also available. There is time set aside at the beginning of the meeting to allow the public to ask questions.

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If you would like a copy of the Agenda in another format (for example in large print) please contact Carole Oliphant on:

Tel: 01884 234209

E-Mail: coliphant@middevon.gov.uk

Public Wi-Fi is available in all meeting rooms.

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **ENVIRONMENT POLICY DEVELOPMENT GROUP**
held on 24 September 2019 at 5.30 pm

Present

Councillors B G J Warren (Chairman)
D R Coren, C J Eginton, R Evans,
B Holdman, R F Radford,
Ms E J Wainwright and J Wright

Apologies

Councillor(s) E J Berry and R L Stanley

Also Present

Councillor(s) R M Deed and L D Taylor

Also Present

Officer(s): Stephen Walford (Chief Executive), Andrew Busby (Group Manager for Corporate Property and Commercial Assets), Joanne Nacey (Group Manager for Finance), Stuart Noyce (Group Manager for Street Scene and Open Spaces), Catherine Yandle (Group Manager for Performance, Governance and Data Security), Tristan Peat (Forward Planning Team Leader), Clare Robathan (Scrutiny Officer) and Carole Oliphant (Member Services Officer)

26 **APOLOGIES AND SUBSTITUTE MEMBERS (00.02.53)**

Apologies were received from Cllr E J Berry who was substituted by Cllr C J Eginton and Cllr R L Stanley who was substituted by Cllr R Evans.

27 **PUBLIC QUESTION TIME (00.02.53)**

Marie Yexley referring to item 9 on the agenda asked if MDDC were going to sign up to the Office for Low Emission Vehicles Government funding for residential on-street charging for plug-in vehicles which can give residents access to funding for electric car charging points on the road.

The Forward Planning Team leader advised the member of the public that this would be investigated and the Group would be updated at the next meeting of the PDG.

Amanda Davies referring to item 10 asked how the council could help council tenants to go low carbon as she had missed out on having solar panels installed and questioned if there was a plan to install double glazing.

The Group Manager for Corporate Property and Commercial Assets advised the Group that he would take the details of the member of the public and respond direct to her about her questions.

Sally Chapman from Sustainable Tiverton referring to item 10 on the agenda said she had attended the climate change conference in Tiverton on Friday 20th September where there were over 40 people present. She stated that people wanted to be involved and asked if community organisations could be co-opted onto the Working Group which was being set up.

The Chairman advised that this question would be addressed at the appropriate item on the agenda.

28 DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (00.08.42)

There were no declarations made

29 MINUTES OF THE PREVIOUS MEETING (00.08.57)

The minutes of the meeting held on 6th August 2019 were approved as a correct record and **SIGNED** by the Chairman.

30 CHAIRMAN'S ANNOUNCEMENTS (00.09.56)

The Chairman had no announcements to make.

31 MEETING MANAGEMENT (00.09.58)

The Chairman informed the Group (with their agreement) that he would move item 7 on the agenda, Financial Monitoring, to the next item on the agenda.

32 FINANCIAL MONITORING UPDATE (00.10.29)

The Group **NOTED** a verbal report from the Group Manager for Finance presenting a financial update in respect of the income and expenditure so far in the year.

She explained that the June figures showed that the Council was looking at a £427k deficit on the overall budget and this had reduced to £378k in July.

For the Environment PDG budget the figures showed a £5k variance in favour in June and that had increased to £31k to the good for July. She explained that this was partly due to increases in the customer base in trade waste and mixed plastics being collected.

33 PERFORMANCE AND RISK (00.14.29)

The Group had before it and **NOTED** the *Performance and Risk report from the Group Manager for Performance Governance and Data Security who explained that this was the second report for 2019/2020.

She explained that the Council was waiting for Devon County Council to verify the performance figures for increased recycling and reduction of the amount of waste.

With regard to the measure for reducing the Councils carbon footprint she explained that the proposal from Exeter University for the benchmarking of MDDC's carbon footprint had been received and was being considered.

Members pointed out that the target of 0.03% for missed collections very low compared to the amount of collections completed on a monthly basis.

Note: *Report previously circulated and attached to the minutes.

34 **MEETING MANAGEMENT (00.19.00)**

The Chairman informed the Group (with their agreement) that he would move item 9 on the agenda, Update of Home Electric Car Charging Points, to the next item on the agenda.

35 **UPDATE OF HOME ELECTRIC CAR CHARGING POINTS (00.19.15)**

The Group had before it and **NOTED** a *report from the Head of Planning, Economy and Regeneration and the Chairman explained to the Group why he had requested the report.

Members expressed concern that the report had references to the GESP but their own investigations into the status of GESP had shown that the telephone numbers and email addresses were unobtainable. There was concern that as the Council was a member of GESP very little information had been received on the progress 5 months on from the local elections.

The Chief Executive informed the Group that the changes in administration and Leaders for all of the Local Authorities involved with GESP was a factor and that the new Leaders had taken some time to understand what officers were presenting to them. He explained that the new administrations would want to add their own ideas on the scope of GESP but that there were meetings due shortly and various reports on the scope of GESP would be presented to each of the Council's cabinets in due course.

The Chairman updated the Group on the decision of the Planning Inspector to place a condition on an upheld planning application appeal in Willand that all of the new build properties granted planning permission on the site required an electric car charging point.

Note: *report previously circulated and attached to the minutes

36 **WASTE AND RECYCLING ANNUAL UPDATE (00.25.02)**

The Group received and **NOTED** the annual Waste and Recycling update by way of a presentation from the Group Manager for Street Scene and Open Spaces who explained that returning Members had seen the format before but he would explain to new Members the journey that the Council had been on with regard to Waste since 2015.

He explained that MDDC was responsible for the collection of waste and that DCC was responsible for the disposing of it. He informed the Group that recycling rates had increased from below 10% in the 1990's to over 50% today.

He provided Members with details of the total tonnage of waste collected and explained that changes in the frequency of collection of residual waste had increased the amount of waste which was recycled.

There was a general discussion on the role that supermarkets could take to help reduce the amount of single use plastic that was being thrown away. Members felt that some of the supermarkets were now seeing that the reduction in the use of plastic on fruit and vegetables was a potential growth area for them and they were championing it.

In response to Members' questions about whether the Council knew that everything sent off for recycling was actually recycled, the Group Manager for Street Scene and Open Spaces explained that there were laws which dictated the reporting where materials ended up. He explained that although some authorities were selling their mixed recycled waste outside EU, MDDC used kerb side sort collection schemes that sorted and split the materials which could then be sold to specialist recycling plants within the UK and the EU.

The Cabinet Member for the Environment confirmed that a decision on changing the frequency of waste collections had not yet been taken.

The Group Manager for Street Scene and Open Spaces gave an overview of the service plan for 2019/2020 which included:

- Street Scene Service redesign
- Start of fleet supply and maintenance contract
- WEEE collections bid (small electrical equipment)
- Future refuse service options
- Mini round reschedule
- Expand recycling on the go
- Shared transport service

He gave Members an overview of the work of the Recycling Officer who was working with collection crews to identify households that don't recycle and the number of households who had received information about the scheme and a stage 1 notice to comply with current requirements.

37 **CLIMATE CHANGE DECLARATION (00.58.30)**

The Group received and **NOTED** a verbal update from the Group Manager for Corporate Property and Commercial Assets on the action taken to calculate the Council's corporate carbon footprint and he explained that there was a coordinated approach ongoing with other District Authorities to scope out the level of emissions currently being used. He explained that this work would form part of the carbon footprint key performance indicator and would be reported back to members in line with the information being shared with other local authorities in the area.

Addressing the member of the public that asked a question on the carbon reduction measures being undertaken in council properties he stated that he would investigate the measures in her particular property but it could be an issue which could be raised at the Homes PDG.

Members then discussed the formation of the Working Group and the Chairman explained his thoughts that the group should explore how the PDG engaged with local community groups in the first instance and that information and ideas could be collected from them.

Members expressed a view that the Working Group should be a conduit for members of the public, environment community groups, farmers and school children to engage in conversation with the Council and bring their ideas forward to be considered.

Members requested that current constitution be checked to establish who could be co-opted as a member of the Working Group.

The Chief Executive reminded the PDG that the Climate Change declaration was to complete the baseline work within 6 months and that the Council was working with other Councils to align this. He explained that the baseline emissions would need to be established first and then the Council could look at ways to reduce them. Alongside this DCC were setting up a Citizens Assembly with the aim of getting public buy in for a Devon wide plan. He explained that the Working Group could be empowered to have discussions with the community groups and members of the public and bring those views back to the PDG.

The Group **AGREED** to the formation of a Working Group to consider:

1. Being a place for the community voice to be fed to the Council
2. To map that community voice and ideas against the Devon Carbon Plan
3. To present further recommendations for what MDDC could do as a District that goes beyond the Devon Carbon Plan

(Proposed by the Chairman)

Members suggested that the makeup of the Working Group should be of Members and not members of the public.

The Members of the Working Group were **AGREED** as:

- Cllr B Holdman
- Cllr Ms E Wainwright
- Cllr J Wright

Members discussed the Chairman's proposal that a recommendation be made to Cabinet that a lead Cabinet Member be assigned to progress the work of the Climate Change Declaration.

Members discussed the proposal and agreed that the public were unaware that the Cabinet Member for the Environment was currently also responsible for Climate Change and that this should be made clear.

The Group therefore **AGREED** to:

RECOMMEND to the Cabinet that the Cabinet Member for Environment title be changed to Cabinet Member for Environment and Climate Change.

(Proposed by Cllr Ms E Wainwright and seconded by Cllr C Eginton)

38 IDENTIFICATION OF ITEMS FOR FUTURE MEETINGS (01.34.12)

There were no items identified.

(The meeting ended at 7.05 pm)

CHAIRMAN

ENVIRONMENT PDG 26 NOVEMBER 2019

Draft Corporate Plan 2020-24

Cabinet Member(s): Leader, Cllr Bob Deed
Responsible Officer: Chief Executive, Stephen Walford

Reason for Report: To consider the first draft text of a new corporate plan for the council, which will replace the current plan (expiring in March 2020).

RECOMMENDATION:

That the PDG considers the draft text and provides its views and comments to the Cabinet in order that a revised draft can be considered in advance of recommendations to full council.

Relationship to Corporate Plan: This report introduces a first draft of what will replace the current corporate plan. The new corporate plan will set the overarching direction of travel for the council and will guide all future decision-making for the next four year cycle.

Financial Implications: The adoption of a new corporate plan will set the direction of policy travel for the council at a strategic level. However, it does not have any direct actions associated with it at this point, and the council's financial context will continue to be set at a strategic level via the annual budget and Medium Term Financial Planning processes. To that end, subsequent decisions that may be taken to realign activity to the new corporate plan in due course, will each be subject to the appropriate impact assessments given to decisions made by the council in the normal way.

Legal Implications: As above.

Equalities Impact Assessment: As above

Risk Assessment: As above.

Climate Change: As above.

1.0 Introduction

- 1.1 The current council Corporate Plan expires in March 2020. The council administration has substantially changed following the election in May 2019, and a cabinet of mixed political makeup now forms the executive.
- 1.2 As part of the arrangements for renewing the Corporate Plan, the new approach was discussed at an early stage with the new cabinet once those members had collectively had the chance to consider shared priorities. It was then the subject of an all-member workshop session on 6th September 2019, where the whole membership had the opportunity to contribute.

2.0 **Direction of Travel**

- 2.1 The member ‘away day’ produced not only a range of content, but also confirmed that there was cross-party support for a continuation of the four ‘thematic’ headings of the council’s current Corporate Plan approach (Community, Economy, Environment, Homes). This is notable since it also goes in some way to the format of governance arrangements of the council, since the four Policy Development Groups (PDGs) are based on these overarching headings. By agreeing to continue with the overarching themes, the council is giving clarity and certainty to the PDGs that are currently in place – making the most of experience and knowledge already clustered around these themes as a format for continuing policy development and onwards recommendations to cabinet. It is worthwhile recalling at this point that the council’s most recent Corporate Peer Review (March 2017) described the PDGs as *‘a novel concept that provides an opportunity for wider member involvement in the work of the council...[providing] a resource for the council to develop new policy ideas and recommend these to cabinet’*.
- 2.2 Alongside the four headings, there was an almost universally-agreed notion of embedding sustainability more prominently within the new plan. This would seem to be supported by a range of discussions and motions discussed by full council in recent months. This has been effected by introducing the plan as a matrix model rather than being presented as a purely thematic-based approach. There is no (and no need for) exact science about the formatting, but bearing in mind this will be the top-level public-facing expression of the council’s approach to prioritising outcomes, it is important for it to be well-understood without a lengthy supporting narrative.
- 2.3 Since the member workshop, the content has been refined in discussion with the cabinet to try and balance the many and varied priorities that were put forward, with the result that the first draft of a new Corporate Plan is attached at Appendix A for members’ consideration.

3.0 **Next Steps**

- 3.1 The draft text at Appendix A forms the bare content of what the council will be seeking to try and achieve over the next four-year term. Officers in the communications team have already been tasked with starting work on layout and imagery to turn the raw content into a viable public-facing document, but it was felt that members’ time would be best focused on discussing and debating content rather than considering the types of pictures, layouts, fonts used etc.
- 3.2 This will be going to each of the four PDGs, with a report then being taken to cabinet to try and take on board all viewpoints and comments made, so that the final version is seen as a genuinely co-produced document, as part of an open and transparent process.

- 3.3 As the final document forms the headline document in the council's adopted policy framework, the new Corporate Plan will need to be approved by full council, so the decision of cabinet will be to recommend to full council in due course.
- 3.4 Ideally, the new Corporate Plan will be in a position to be adopted by full council alongside the budget at February's meeting of full council.
- 3.5 It is proposed that the current system of publicising 'priority activities' each year and publishing these online, continues as per the delegations agreed under the previous administration – in order to be transparent on delivery activity while ensuring the document is kept 'live' on an annual basis.

List of Background Papers:

Appendix A – draft corporate plan text

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Appendix A - Draft 2020-24 Corporate Plan (text only)				
'Sustainability and Regeneration'				
	Environment	Homes	Economy	Community
Sustainable and Prosperous Communities	<i>Our villages and towns need affordable housing for local people. We aim to build more social rented housing and housing for purchase that is truly affordable. We seek to bring higher skilled and better paid jobs to the district, promoting economic development and greater economic diversity. Local businesses need incubation space, grow-on space, and places to expand - and digital businesses need the capability and capacity to work from home as well as a business park. Long distance commuting will have to drastically reduce in future to deliver on our carbon objectives, and we will support people seeking to lead a more 'local' life; living, working, eating, shopping, and spending locally. We aim to ensure that new housing and commercial developments support, and are consistent with, the Council's policies on Climate Change. These objectives will be achieved by encouraging and, where necessary, intervening in the market to deliver the jobs and sustainable communities, and by working in partnership with statutory and non statutory bodies to win the resources we need.</i>			
	Encourage retro-fitting of measures to reduce energy use in buildings	Deliver more affordable housing and greater numbers of social rented homes	Work with developers to secure our ambitious plans for J27 'Devon Gateway' development site	Work with developers and DCC to deliver strategic cycle routes between settlements and key destinations
	Encourage "green" sources of energy supply new policies and develop plans to decarbonise energy consumption in Mid Devon	Work with Community Land Trusts and other organisations to deliver homes retained in perpetuity for local need	Consider acquiring or creating new business parks to accelerate economic growth	Secure decent digital connectivity for all of Mid Devon
	Identify opportunities to work with landowners to secure additional hedgerow planting, biodiversity and reforestation	Work with landlords to ensure the quality of homes in the private rented sector	Identify strategic and tactical interventions to create economic and community confidence and pride in the places we live. This includes a continued focus on Town Centre Regeneration.	Work with education providers to secure appropriate post-16 provision within the district to minimise the need to commute out for A/T level studies
	Consider promoting the designation of the Exe Valley as an Area of Outstanding Natural Beauty (AONB).	Lobby to see the abolition of the 'Right-to-Buy' or the devolvement of discounting powers to individual local housing authorities	Facilitate the creation of exciting new commercial opportunities within strategic developments at Culm Garden Village and Tiverton Eastern Urban Extension	Lobby DCC and others to introduce 20mph speed limits where children play, and take opportunities to pilot car-free days/routes
Sustainable Planet	Encourage new housing and commercial developments to be "exemplars" in terms of increasing biodiversity and reducing carbon use.	Promote the regeneration of our Town Centres by working with landlords and property developers to improve and increase the supply of quality housing	Produce business plans for the creation of a commercial Economic Development function perhaps in partnership with other agencies	Promote new, more integrated approaches to promoting good health and healthier living especially in the context of planned new developments.
			Explore commercial opportunities that deliver new or innovative services for customers that can generate revenue for the council	Seek opportunities to address public health issues and disparities to improve the health and wellbeing of everyone in Mid Devon
	<i>Rural Devon is a great gift to us and the planet. We will challenge the suburbanisation of the countryside while encouraging growth in locations that provide low carbon homes for our children, our relatives, our colleagues and the communities of tomorrow. This will sit alongside the economic opportunities of greater digital connectivity in rural areas, our support for clean growth industry sectors, and a thriving agricultural industry that showcases sustainable food-to-fork practices and low food-miles to market.</i>			
	Increase recycling rates and reduce the amounts of residual waste generated	Introduce zero carbon policies for new development	Promote zero carbon exemplar sites within commercial settings	Enable communities to deliver their own projects to reduce carbon emissions
	Explore large-scale tree-planting projects and re-wilding to enhance biodiversity and address carbon pressures	Encourage the piloting of Modern Methods of Construction (MMC) and self-build opportunities	Use car park pricing mechanism to effectively balance the needs of vehicular access with those of reducing car use	Facilitate networking across volunteer and community groups to spread knowledge, expertise and awareness on climate issues
Sustainable Participation	Promote sustainable farming practices in partnership with local farmers, District and County Councils; including research into best practice re better soil management and animal husbandry.	Use new development as opportunities to help communities to become increasingly sustainable and self-sustaining at neighbourhood level (district heating, energy use, recycling/re-use systems etc)	Promote the development of the farming economy and local food production. Working in partnership with farmers to develop and grow markets on the principle of reducing carbon emissions and sustainability.	
	<i>We will enable and support local decisions made by local councillors using local funds and resources aimed at local problems in our community. Working in partnership with parish and town councils, voluntary and community groups, we will seek to deliver positive outcomes where the district no longer has the means to directly commission services.</i>			
	Work with Parish and Town councils to promote the development and retention of parks and play areas across the district	Work with local stakeholders to initiate delivery of the new garden village at Culm	Support the creation of South West Mutual Bank and seek opportunities to encourage new branches being opened in areas that aren't well-served by existing banking services providers	Work with the NHS and other health bodies to promote use of our leisure centres
	Support community activities that improve the environment such as litter-picks, guerilla gardening, or community adoption of assets	Support and grow active tenancy engagement	Develop and deliver regeneration plans for all 3 main towns in partnership with Town and Parish Councils	Promote community involvement in council activity
		Support the establishment of Community Land Trusts in partnership with Parish Councils and other local bodies		Promote new approaches to Rural Transport in partnership with Town and Parish Councils through the deployment of emerging technologies
			Work with County, Town and Parish Councils to identify safer walking journeys to school	

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Project Outline for PDG Working Groups

<u>Review Working Group Title</u>	Net Zero Working Group
<u>Working Group Members</u>	Ms E J Wainwright, E J Berry, B Holdman, J Wright
<u>Working Group Chairman</u>	Ms E J Wainwright
<u>Officer Support</u>	Clare Robathan (Policy and Research Officer) Lisa Lewis (Group Manager for Business Transformation and Customer Experience) Andy Busby (Group Manager for Corporate Property and Commercial Assets) Carole Oliphant (Member Services Officer)
<u>Rationale:</u> Why is the review important? For example: <ul style="list-style-type: none"> • Identified by Members as a key issue for the public? • Poor performing service? • Service considered important by the community? • Public interest covered in local media? 	<p>The Council is part of the Devon Climate Emergency Response Group (DCERG) and is a signatory to the Devon Climate Declaration.</p> <p>The Council has agreed to work to the Devon Climate Declaration target of reducing carbon emissions to net-zero by 2050, but, like Devon County Council, will aim to become carbon neutral by a more ambitious date of 2030.</p> <p>As a signatory to the Devon Climate Declaration, the Council must review (within six months) plans to reduce the organisations carbon emissions, including ensuring the people we do business with are doing the same.</p> <p>Additionally, as a signatory, the Council will, in collaboration, engage residents, businesses and visitors to develop and implement a plan to facilitate the reduction of production and consumption emissions.</p>
<u>Review aims, objectives</u> What does the review hope to achieve? Identify what will be included and what is achievable. For example: <ul style="list-style-type: none"> • Identify what is being done and what the potential barriers are • Explore existing initiatives and determine if they are appropriately joined 	<p>To consider realistic and tangible ways the Council can reduce its own carbon impact as well as supporting residents and businesses in Mid Devon to do the same.</p> <p>To promote the work and consultation of the DCERG Net Zero Task Force so that Mid Devon community groups and residents are encouraged to feed in ideas for action.</p> <p>Support the District to take action on reducing carbon emissions, and support communities to make the necessary changes to achieve our goal, through:</p> <ul style="list-style-type: none"> • Developing a dedicated web page to raise awareness and share information, resources

<p>up</p> <ul style="list-style-type: none"> • Review performance indicators • Compare our policies with those of a neighbouring authority • Assess the environmental /social impacts 	<p>and case studies.</p> <ul style="list-style-type: none"> • Facilitating connections and partnerships, engage Parishes. • Promoting activities that will move the District towards net zero.
<p><u>Desired Outcomes</u></p>	<p>The Council produces (as part of the Devon Carbon Plan process) an ambitious plan to reduce the organisation, and the businesses we work with, carbon emissions.</p> <p>The DCERG Net Zero Task Force consultation process receives input from a large number of Mid Devon community groups and residents with ambitious ideas for the District and County.</p> <p>The local community and residents are supported to take action in the District towards getting to net zero carbon emissions by 2030.</p>
<p><u>Methodology / Approach</u></p> <p>What type of enquiry will be used to gather evidence? For example:</p> <ul style="list-style-type: none"> • Desk based review of papers • Site visits / observations • Comparisons with other authorities • Process mapping • Public meetings • Interviewing officers • Calling witnesses/experts to give evidence 	<p>Promote the Devon wide consultation process and call for evidence to encourage local groups to input ideas for the District, including through:</p> <ul style="list-style-type: none"> • Social media – Council and Members; • Opportunities in the corporate calendar; • Dedicated webpage. <p>Once our Carbon baseline is produced, review the process around producing our own Carbon Plan and actions to be taken to reduce emissions.</p> <p>Review of the inputs provided to the Net Zero Task Force on specific actions the District could take to get to net zero.</p> <p>Undertake mapping exercise of local community groups and activities in the District.</p> <p>Consider how to engage local community groups on further ideas for carbon reduction, and methods of implementation in the District.</p> <p>Liaise with other District Councils to understand what they are doing in terms of producing their own Carbon Plans.</p>

<p><u>Witness / Experts</u></p> <p>An important part of the scoping process includes deciding what people should be asked for interview.</p> <ul style="list-style-type: none"> • Executive Members and officers are required by the Constitution to attend to explain decisions. • Other people may be invited to discuss issues of local concern and / or answer questions but are not required to attend. It may be more beneficial to visit people for an informal chat. 	<ul style="list-style-type: none"> • Group Manager for Corporate Property and Commercial Assets to discuss the Council's role in the Devon Carbon Plan. • Group Manager for Business Transformation and Customer Experience to discuss ways of promoting the Devon Carbon Plan. • Local community groups to give ideas for implementation in the District.
<p><u>Timescales</u></p> <p>What will be done and by when. For example:</p> <ul style="list-style-type: none"> • Start date • Meeting frequency • Draft report deadline • Projected completion date 	<p>The Group met for the first time on the 26 October and will aim to meet once a month.</p> <p>The Devon Carbon Plan and DCERG process will continue to autumn 2020 and it is likely that this group may follow a similar trajectory.</p>
<p><u>Target Body for Findings / Recommendations</u></p>	<p>Environment PDG</p>

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ENVIRONMENT POLICY DEVELOPMENT GROUP

26 NOVEMBER 2019

REPORT OF THE HEAD OF PLANNING, ECONOMY AND REGENERATION

DEVON COUNTY COUNCIL POLICY FOR ON-STREET ELECTRIC VEHICLE CHARGING POINTS

Cabinet Member: Cllr Graeme Barnell, Cabinet Member for Planning & Economic Regeneration

Responsible Officer: Mrs Jenny Clifford, Head of Planning, Economy and Regeneration

Reason for Report:

To provide a response to a public question regarding if the Council is going to sign up to the Office for Low Emission Vehicles Government funding for electric car charging points on the road.

RECOMMENDATION(S):

That the contents of this report be noted.

Relationship to Corporate Plan:

Priority 4: Environment Aim 2

Financial Implications:

There are no financial implications as a direct result of this report. Financial implications would arise if any future decision was made to directly commission additional chargers, or revise parking charges to change the current level of incentives/disincentives for different types of vehicular propulsion systems.

Legal Implications:

There are no legal implications as a direct result of this report. It is for discussion only.

Risk Assessment:

The risk is deemed to be low.

Equality Impact Assessment: No equality issues anticipated.

Impact on Climate Change: The increased provision of on-street chargepoints for electric vehicles could help to reduce CO2 emissions and improve local air quality.

1.0 Introduction

1.1. This report provides an update to the PDG in the context of debate following a question raised at the meeting of the Environment Policy Development Group on 24th September 2019 about 'Electric Vehicle Charging Points and Solar PV in new developments' (item 35).

1.2. The member of public asked:

"Were MDDC going to sign up to the Office for Low Emission Vehicles Government funding for electric car charging points on the road?"

1.3. The Forward Planning Team Leader advised the member of public that this would be investigated and the Group would be updated at the next meeting of the PDG. This report provides that update.

2.0 Government scheme for grants to Local Authorities for on-street charging points

2.1 The Office for Low Emission Vehicles (OLEV) is a cross Government, industry endorsed, team combining policy and finding streams to simplify policy development and delivery of ultra-low emission vehicles.

Grant for residential on-street charging

2.2 In February 2013 the OLEV published a guide for members of the public "Government funding for residential on-street charging for plug-in vehicles: a guide for members the public". Since then, Local Authorities in England have been able to sign up to a scheme aimed at increasing the availability of plug-in vehicle charging infrastructure.

2.3 In March 2019 the OLEV published updated guidance for Local Authorities "Grants to provide residential on-street chargepoints for plug-in electric vehicles". Local Authorities are invited to submit applications for the on-street residential grant scheme (hereafter referred to as the 'Scheme'). This is aimed at increasing the availability of plug-in vehicle charging infrastructure for those who do not have access to off-street parking. The Scheme gives Local Authorities access to grant funding which can be used to part fund the procurement and installation of on-street electric vehicle chargepoint infrastructure, to meet residential needs, in line with the minimum technical specifications.

2.4 OLEVs updated guidance states evidence indicates that most plug-in vehicle owners will wish to do the largest proportion of their charging at home. The availability of affordable and accessible domestic charging options is therefore

key to increasing the uptake of plug in vehicle in the UK. To this end the Government currently offers the Electric Vehicle Homecharge scheme (EVHS), for residents to receive a grant towards the installation of domestic chargepoints at their homes. But to be eligible they must have dedicated off-street parking in the form of a garage or driveway. Many areas of the UK, including large parts of our cities, have residential areas where off-street parking is not an option, presenting a barrier to plug-in vehicle adoption.

2.5 In order to help their residents overcome this barrier, and prepare for the future, relevant Local Authorities are encouraged to apply for grants for the on-street residential grant scheme, on a first come first served basis, to get on the front-foot, and access funding to help with the costs of procurement and installation of on-street charging points for residential use. For the purposes of the Scheme, the applicant authority must have the explicit support of the relevant highways authority that has responsibility for maintenance of the highway on the residential streets where chargepoints are to be located. This support must be obtained before any application is submitted. Devon County Council is the relevant highways authority for Mid Devon.

2.6 The Energy Saving Trust (EST) is administering the Scheme on behalf of OLEV and can provide advice and guidance to Local Authorities on the preparation of an eligible and successful application. More information can be found through this link:

<https://www.energysavingtrust.org.uk/transport/local-authorities/street-residential-chargepoint-scheme>

2.7 The OLEV has allocated £4.5m for 18/19 and 19/20 for on-street residential projects. The funding available is for 75% of the capital costs of procuring and installing the chargepoint and an associated dedicated parking bay (where applicable), in line with OLEV technical specifications.

2.8 Applications may be made by an allocated “lead” authority for a project that spans across multiple local authorities, as long as the relevant conditions can be met for each proposed chargepoint.

3.0 Devon County Council and on-street chargepoints

3.1 Mid Devon District Council is not the responsible highway authority for roads in Mid Devon. This responsibility falls on Devon County Council.

3.2 The following information is available on the county council’s website which was posted on 19th March 2018 in response to a public question about the provision of on-street charge points:

“Unfortunately, Devon County Council has taken a decision not to sign up to the grant scheme due to financial pressures on both its revenue funding (for ongoing maintenance of the charge point) and capital funding (for delivering the charge point). The OLEV grant allows up to 75% grant for the capital costs of installing the charge point and an associated dedicated parking bay, up to a maximum of £7,500 per installation. With the resourcing and funding pressures at the current time, Devon County Council is not in a position to fund the remaining capital costs of installation and ongoing running costs with the infrastructure.

We are developing a project to deploy a modest charging network in car parks across Devon with the use of European funding. The success of this project at obtaining funding will be known later in summer 2018.”

- 3.3 Further information about Devon County Council’s approach is provided in a published report for its Cabinet Member for Economy and Skills (4th October 2018 – see background papers), about the Automated and Electric Vehicles Act 2018 and what this means for Devon County Council. The report refers to reasons why Devon County Council has resisted progressing on-street electric vehicle charging, including: interoperability (i.e. the compatibility of different chargepoint products); payment complications; and also issues around maintenance of infrastructure and health and safety implications relating to trailing leads on the highway. The report makes clear that the resistance to progressing on-street electric vehicle charging is a similar view taken by other local authorities, with a preference instead for focusing on off-street parking provision.
- 3.4 Devon County Council has advised that the technology is changing rapidly and the recent Automated and Electric Vehicles Act 2018 will help remove some of the barriers to Local Authorities pursuing on-street charging points. Therefore, Devon County Council is likely to review its current policy position on this, particularly in light of its declaration of a climate emergency.
- 3.5 In July 2019 Devon County Council published information about progress made for the provision of chargepoints across the county:

“DCC has secured EU funding to support the deployment of Ultra Low Emission Vehicle (ULEV) chargepoints in at least 25 publicly-accessible car parks across the county. We are awaiting the funding agreement from UK government but expect the programme to start in October 2019 and deployment would start in late 2020.

DCC has partnered in a project assessing the feasibility for on-street UELV chargepoints in Exeter and this was successful, identifying over 100

locations. The private sector partner has now applied for further government support for chargepoint deployment in the identified locations. We expect to hear if they have been successful by August 2020 and, if they have been, the project would start in September.

DCC has secured and facilitated the use of Highways England funding to support the installation of ULEV chargepoints in four public car parks (Honiton, Chudleigh, Ashburton and Ivybridge) close to the main highway. Works should be starting onsite within the next few weeks.

DCC is working with other local authorities in the south west to ensure the opportunities mentioned above has the biggest impact possible, particularly through the SW Energy Partnership between Devon County Council, Bristol City Council and Plymouth City Council.”

4.0 Car park chargepoints in Mid Devon

- 4.1 The question originally raised at the PDG concerned electric charging points on the road, which would be the responsibility of the county council as set out in section 3 above, and the OLEV scheme is primarily focused on the installation of chargepoints in on-street locations. However, OLEV recognises the potential pressures that may be faced by Local Authorities when allocating parking spaces for electric vehicles on residential streets. Therefore, OLEV is willing to consider applications for chargepoints situated in car parks owned by the Local Authority where they meet the objectives of the scheme i.e. that the car park is suitably located in or near a residential area and provides an option for local residents looking to charge their car both during the day and overnight.
- 4.2 Therefore, there is some potential interest for Mid Devon District Council if it wishes to make changes to any of its car parks to meet with the scheme’s criteria (set out below):
- 4.3 Local Authorities need to meet the following criteria for installing chargepoints in car parks:
- car parks must be owned by the Local Authority and situated in or close to a residential area that lacks off-street parking;
 - car parks must be accessible on a 24/7 basis;
 - at a minimum, local residents must be to access the car parks for free overnight;
 - each chargepoint must have its own dedicated EV bay enforced by a Traffic Regulation Order.

For car parks, Local authorities will:

- commit to keeping usage under review and consider restricting access to local residents for some or all the time if residents are struggling to access them.
- produce a communications strategy that raises awareness of chargepoints to local residents.

5.0 Summary

- 5.1 Devon County Council has made clear that it is currently unable to provide the additional financial support needed to facilitate the provision of on-street chargepoints in the County (although it is supporting the provision of chargepoints in Exeter City by a private partner). This would apply to streets within Mid Devon, where Devon County Council is the responsible highway authority. As such it is understood that Mid Devon Council would be unable to sign up to the OLEV Scheme, for on-street charge points in the district.
- 5.2 Although none of the four public car parks where Devon County Council is currently supporting the installation of chargepoints are in Mid Devon, there may be potential in future for Mid Devon District Council to review car parking arrangements, such that they meet the minimum criteria for a bid to the OLEV scheme.
- 5.3 Mid Devon District Council has previously (in 2016) actively promoted the provision of eight rapid chargers installed in Tiverton, Cullompton and Crediton and the surrounding areas through an arrangement with InstaVolt. These chargepoints are accessible to anyone on a pay-as-you-go basis, and are part of a series of measures being taken by the Council to improve air quality and drive down carbon emissions in the area. At the moment there is limited market demand to expand the supply of chargepoints into more rural car parks, however alternative arrangements are being kept under review.

Contact for more Information: Tristan Peat, Forward Planning Team Leader - 01884 234344 / tpeat@middevon.gov.uk

List of Background Papers:

Environment PDG report 24^h September 2019:

<https://democracy.middevon.gov.uk/ieListDocuments.aspx?CId=135&MId=1115&Ver=4>

Government funding for residential on-street charging for plug-in vehicles: a guide for members of the public (February 2013):

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/137855/street-charging-plug-in-vehicles-guide.pdf

OLEV updated guidance for Local Authorities “Grants to provide residential on-street charge points for plug-in electric vehicles” (March 2019):

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/792884/onstreet-chargepoint-residential-scheme-guidance.pdf

Devon County Council’s response to the on-street chargepoint scheme (19th March 2018):

https://www.devon.gov.uk/accesstoinformation/archives/information_request/electric-vehicle-charge-points

Devon County Council’s further information about progress made for the provision of chargepoints across the county (18th July 2019):

https://www.devon.gov.uk/accesstoinformation/archives/information_request/electric-vehicle-charging-points-2

Devon County Council – report of Cabinet Member for Economy and Skills (4th October 2018)

<https://democracy.devon.gov.uk/documents/s21629/Report%20of%20the%20Cabinet%20Member%20for%20Economy%20and%20Skills.pdf>

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ENVIRONMENT POLICY DEVELOPMENT GROUP

26 NOVEMBER 2019

UPDATE ON CLIMATE EMERGENCY DECLARATION

Cabinet Member(s): Cllr Simon Clist and Cllr Luke Taylor.

Responsible Officer: Andrew Busby, Group Manager for Corporate Property and Commercial Assets.

Reason for Report: To provide Members with an update on progress made with establishing a Carbon Footprint for the Council's operational activities.

RECOMMENDATION: For Members to note that it is necessary to establish a carbon emissions baseline, in order that the Council can accurately measure carbon reductions in future years.

Financial Implications: The direct financial implication associated with this report is the cost associated with engaging the expertise of the University of Exeter, at a one off cost of circa £6k and a further £5k per annum to become a member of the South West Energy and Environment Group (SWEEG).

Legal Implications: Full Council has declared a Climate Emergency and as part of that commitment the Council is to produce a carbon footprint, the advice that we have used to determine our carbon footprint is the Environmental Reporting Guidelines published by HM Government in March 2019.

Risk Assessment: If the Council does not establish its baseline it will not be in a position to measure progress towards being carbon-neutral.

Equality Impact Assessment: There are no equality impact assessment implications associated with this report.

Relationship to Corporate Plan: Environment – Reducing our carbon footprint.

Impact on Climate Change: This report links to a background paper that lists some of the Energy Saving Measures (ECM's) already implemented by the Council to help reduce its carbon footprint, reduce dependency on fossil fuels and utilise renewable energy sources where sustainable.

1.0 Introduction:

This report outlines our progress following the Council's Declaration of a Climate Emergency and the commitment to produce an accurate carbon footprint for the Council's activities. This is a complex piece of work and it is vital that it is performed accurately as it will create a baseline, against which the Council will be measuring our journey towards carbon neutrality. The Council have engaged with other local authorities to establish a joined up approach and Exeter University have been commissioned to assist us with this piece of work, the Council will also become a member of SWEEG (South West Energy & Environment Group).

- 1.1 The Council has declared a climate emergency and aims to become carbon neutral by 2030. Carbon neutrality is a term used to describe the actions that organisations, businesses and individuals take to remove as much carbon dioxide from the atmosphere as each puts in to it. The overall goal of carbon neutrality is to achieve a zero carbon footprint.
- 1.2 The definition of a carbon footprint is the amount of carbon dioxide released into the atmosphere as a result of the activities of a particular individual, organization, or community. A carbon footprint is measured in tonnes of carbon dioxide equivalent (tCO₂e) and CO₂e is calculated by multiplying the emissions of each of the greenhouse gases by its 100 year global warming potential (GWP).
- 1.3 Having a net zero carbon footprint, refers to achieving net zero carbon dioxide emissions by balancing carbon emissions with carbon removal (often through carbon offsetting) or simply eliminating carbon emissions altogether (the transition to a post-carbon economy). It is used in the context of carbon dioxide-releasing processes associated with transportation, energy production, agriculture and commercial/industrial processes.
- 1.4 To become carbon neutral we need to accurately measure our carbon footprint and create a baseline against which future changes can be measured, the assessment needs to establish a baseline from which to measure the reductions that we plan to make, and make informed recommendations to members.

2.0 Scope of emissions:

The baseline exercise will detail three scopes of reporting as below:

- Scope 1 (Direct emissions): Emissions from activities owned or controlled (as previously defined in organisational boundary) by our organisation that release emissions into the atmosphere.
- Scope 2 (Energy indirect): Emissions released into the atmosphere associated with our consumption of purchased electricity, heat, steam and cooling.
- Scope 3 (Other indirect): Emissions that are a consequence of our actions, which occur at sources which we do not own or control and which are not classed as scope 2 emissions.
 - Accounting is harder as information resides with other organisations.
 - Generally involves more estimation and generic information.

3.0 Annex A - Please refer to the attached model that explains the above in illustrative form.

4.0 Establishing a Baseline:

In order to accurately establish a baseline for our carbon footprint, the Council has commissioned expert advice and assistance from the University of Exeter. Researchers are familiar with the national guidelines and Mid Devon District Council have joined other District Councils to have a consistent approach on the scopes where possible, the scope of work includes but not limited to:

- Defining boundaries and what is in/out of scope
- Gathering data
- Analysing data
- Spreadsheet creation
- Report writing

To establish a carbon footprint the commission will include five stages.

4.1 Stage 1 - Defining the boundaries:

Scope 1 & 2 emissions: We are clear on what is in and out of scope and our assumptions will therefore need to be clearly stated.

4.2 Stage 2 - Gathering data:

This is data that we are collecting; we need to identify and collate, much of which will involve identifying our property portfolio, the energy consumption from these premises, plus business mileage etc. Gathering data for scope 3 emissions is more complex and time consuming. The University will guide us on the data requirements and the appropriateness of any assumptions that we have to make.

4.3 Stage 3 - Analysing data:

This stage will involve the use of data conversion factors to ensure that we have our data in the correct format to publish in tonnes of CO2 equivalent. The University will produce tables and graphs using the data collected, which will contribute towards the final report.

4.4 Stage 4 - Spreadsheet creation:

The University will create and format a spreadsheet used with other authorities for capturing our carbon emissions and calculate the conversion factors that are relevant to each type of emission.

4.5 Stage 5 - Report writing:

The Council will prepare a further report on the data collected as part of this exercise. We can interpret the data and identify where we can have the greatest impact. We can consider phasing mitigations and adaptations to enable discussions on what we can do to aim to achieve carbon neutrality by 2030.

5.0 Next Steps:

5.1 Once our carbon footprint is established we can begin to refine our ambitions through an Action Plan and begin to predict with some accuracy the costs associated with our plans and the period over which we will be reducing our greenhouse gas emissions and hence our carbon footprint.

5.2 We also need to consider a more formal structure for contributing towards the considerable workload of becoming a carbon neutral Council.

5.3 All Council business service plans will need to reflect climate change as a new corporate priority and should include coverage of what each service are doing to progress the climate change agenda in their area of responsibility.

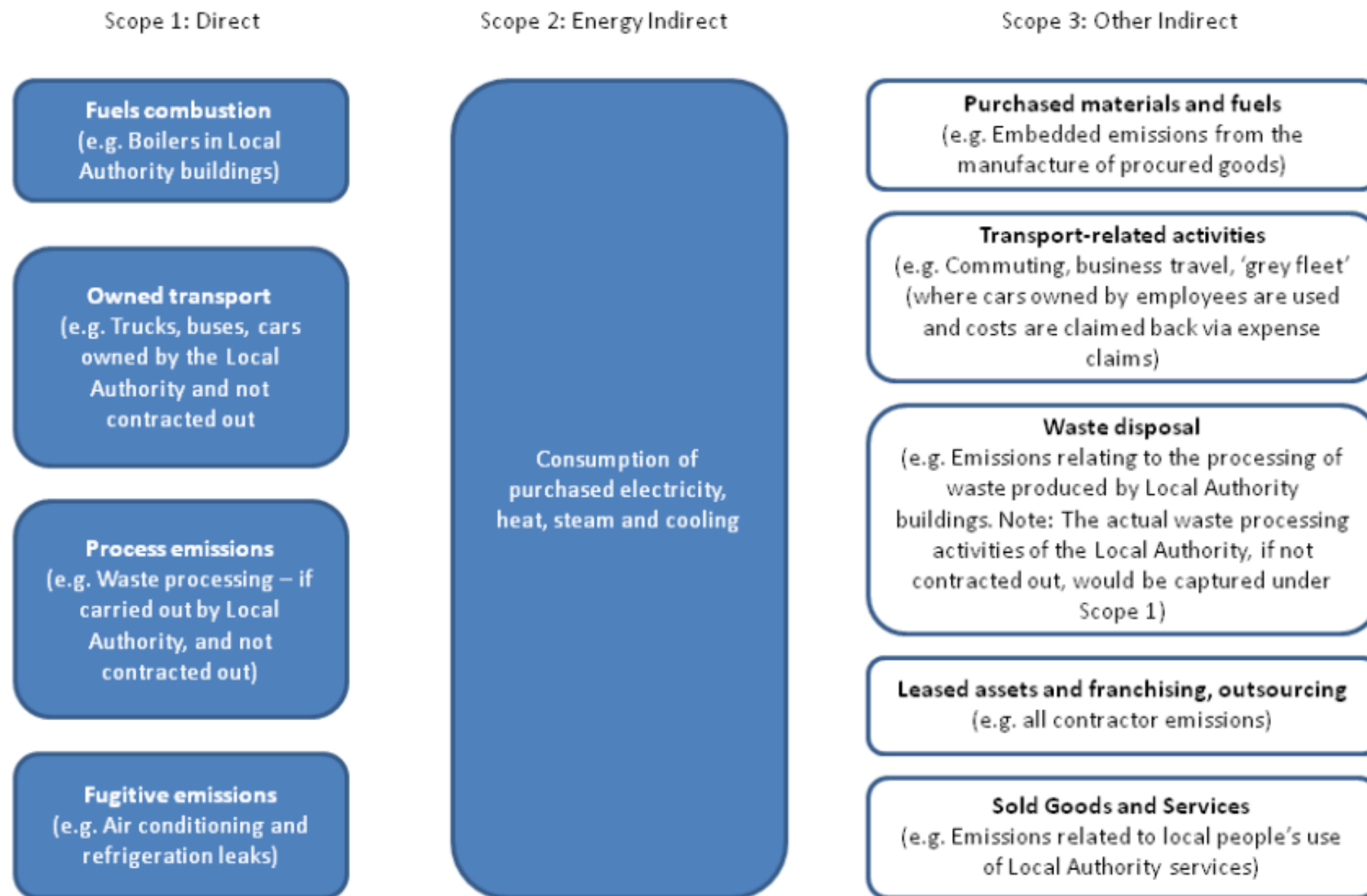
6.0 Conclusion

Establishing a carbon footprint is not an end in itself, it is the start of being able to identify and deliver carbon reductions. The results of the exercise will be complete prior to the end of the calendar year.

Contact for more Information: Andrew Busby, Group Manager for Corporate Property and Commercial Assets.

Circulation of the Report: Cllr Luke Taylor, Cllr Simon Clist, Councillor Barry Warren.

Background papers: Previous report Environment PDG 'Update on Climate Emergency Declaration' dated 6th August 2019.



Key

Recommended

Discretionary

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ENVIRONMENT POLICY DEVELOPMENT GROUP

26 NOVEMBER 2019

Single use plastic update

Cabinet Member(s): Cllr Luke Taylor, Cabinet Member for the Environment and Climate Change

Responsible Officer: Clare Robathan, Policy and Research Officer

Reason for Report: To provide an update on the implementation of Motion 549 (Cllr B Evans - 8th June 2018), which aims to phase out the use of Single Use Plastics (SUPs) by the Council.

RECOMMENDATION(S): That the PDG considers the update to the March report and agrees to continue to monitor progress on reduction of single use plastic.

Relationship to Corporate Plan:

Priority 4: Environment

Aim 1 - Increase recycling and reduce the amount of waste

Aim 2 - Reduce our carbon footprint

Aim 3 - Protect the natural environment

Financial Implications: An increase in plastic being recycled may increase revenue from recycling.

Legal Implications: None

Risk Assessment: The alternative is not to act on single use plastics (SUPs), which would contribute to the degradation of the environment and accumulation of plastics, particularly in the sea. This could result in increased costs associated with cleaning up discarded SUPs.

Equality Impact Assessment: Not applicable.

Impact on Climate Change: The actions by the Council detailed below will enable the Authority to continue to enhance its environmental performance and contribute towards the delivery of the Climate Change Strategy and Action Plan.

1.0 Background

- 1.1 Plastic waste is one of the planet's greatest environmental challenges. Plastic waste is having a devastating effect on our oceans' biodiversity and overall sustainability.
- 1.2 Single use plastics, also known as disposable plastics, are items intended to be used only once before they are thrown away or recycled, including: containers, plastic cutlery, drink containers, food packaging, straws, plastic lids, stirrers and grocery bags.

- 1.3 A report was presented to the Environment PDG by the previous Scrutiny Officer in March 2019 outlining the progress the Council had made on phasing out SUPs within Council premises. This report provides a further update on actions taken by the Council, it covers:
- Getting our own house in order – actions taken by the Council to ensure premises are free from SUPs;
 - Working with suppliers – actions taken by the Council to understand and work with suppliers to reduce their use of SUPs; and
 - Raising awareness/helping the District to take action.

2.0 Getting our own house in order

- 2.1 The main source of single use plastic used by the Council comes from food and beverage packaging and tableware. This type of plastic is commonly found along our coastlines and discarded in our countryside.
- 2.2 In advance of the March 2019 meeting, a review was undertaken of the Council's single use plastic food and beverage packaging and tableware, including consideration of whether a viable alternative exists for each item, or an environmentally-sound recycling or disposal method.
- 2.3 That review confirmed that:
- The Council has removed plastic cups from all meeting rooms. Staff and Member meetings now use china cups. Recyclable paper cups are available for large public meetings.
 - Leisure management have engaged with cafes in operation at Exe Valley and Lords Meadow to review their products and practices. Compostable cups are being used, except in Culm Valley where suppliers are being identified. Exe Valley is using paper bags, cardboard cup holders, wooden stirrers, wooden knives, forks and spoons and some veg ware packaging.
 - Mid Devon Leisure are looking at ways of maximising the collection of drink bottles at their centres.
 - In Public Health and Regulatory Services Plastic specimen containers are sterilised and re-used.
 - Building Services have taken steps to increase waste segregation, with a view to recycling as much plastic waste as possible e.g. PVC sheets are now recycled.
 - The Council has worked with Street Scene and Leisure to increase recycling and provide new bins.

2.4 Update

- 2.5 The contract for water coolers is up for review in January 2020. The requirements going forward will be to only have plumbed units (rather than bottles) with fully bio degradable filters and packaging.
- 2.6 Mid Devon Leisure have continued to work with the companies and their suppliers in moving towards alternatives or replacements for SUPs. Exe Valley café, Elsie May's, confirmed that they now use Vegware for all takeaway cups and smoothie cups. In addition, their milkshake suppliers have moved to Vegware cups and paper straws.

2.7 Camper Coffee at Lords Meadow Leisure Centre now have a full range of environmental products and have replaced bottled water with canned water. Lord Meadow also sell reusable bottles, which customers can purchase for £2 and fill with water at the water fountains. Recycling bins have also been installed to encourage customers to recycle. Mid Devon Leisure has also confirmed that cafes are recycling their plastic waste.

3.0 Working with Suppliers

3.1 We have been working with suppliers to minimise our consumption of single use plastic, and encourage them to do the same.

3.2 At the March meeting it was reported that letters had been sent to all suppliers (177 in total) asking them to complete a survey about their usage of single use plastics. The intention was to gather information about company plans and encourage further dialogue between Council and companies on the issue.

3.3 As a result of our survey we have had a response from 47 suppliers outlining their policy around SUPs. Some key findings from the survey are:

- Of those that responded, 25 (53%) currently have a SUP policy or plan within their business, 20 of those include a policy within their supply chain.
- Of those that do not have a policy, 17 intend to have a policy within the next two years.
- Therefore, 42 of the 47 (89%) suppliers that responded either have, or intend to have, a SUP policy or plan within their business. (Three of the responses outlined that, due to the nature of their business, an SUP policy was not applicable to their business).
- 26 (55%) of those that responded are actively seeking alternatives to plastic in the design and manufacturing of their products, and 31 (66%) are actively seeking alternatives and removing plastic packaging from products.

3.4 Although we would have liked the response rate to be higher, it is encouraging to see that suppliers are minimising the consumption of single use plastic where possible and looking for alternatives. We will now ensure procurement specifications and contractors' activities consider, and where practical minimise, the environmental risks associated with plastics. We will update our procurement tools to include an explicit reference to plastic, and raise awareness of plastic issues with procurement officers.

3.5 Additionally, Building Services has written to building product suppliers outlining that we have signed up to a pledge to reduce single use plastics and asked them to support this. As a result, a number of companies have provided us with their environmental policies and we will continue to work to promote the reduction of SUPs with Building Service suppliers.

4.0 Raising awareness/helping the District to take action

4.1 The Council uses social media and communication tools to promote ways of reducing the use of SUPs, particularly through sharing other organisations posts. For example, in September, the Council promoted Recycle Devon's campaign on the use of reusable carrier bags over single use plastic bags,

using the hashtags #ReduceSingleUsePlastics and #Reuse. We are also part of a Devon wide communications and waste/recycling group which meets regularly to share ideas on reducing the use of plastic, amongst other things.

- 4.2 District Events on council owned land and property: In order to reduce the use of SUPs in the District, the Council does not allow SUPs at events on Council owned land and property (excluding legitimate use of a Council premises by a tenant in one of our commercial buildings or a Council house). This is regulated through the events process.
- 4.3 Tiverton Pannier Market has been working to increase levels of recycling and reduce the use of SUPs in the market. The Market has a five year Environmental Strategy (2017-2022), and has been actively working with traders to instigate a 'green market' where waste is minimal and recycling is the norm. In line with the Council's objectives for the environment, the Market is committed to:
- Increasing recycling and reducing waste (in particular plastic);
 - Reducing its carbon footprint; and
 - Protecting the natural environment.
- 4.4 Most market produce is free from packaging, with limited plastic used where necessary for health/hygiene reasons. Meat producers are encouraged to use butcher paper instead of Styrofoam to wrap produce and the Market requests all participating traders to use food containers, packaging, plates and cutlery made from biodegradable materials where possible. The Market has banned single use plastic carrier bags from being used (wherever possible), instead traders offer alternative packaging options and customers are encouraged to bring their own bags.
- 4.5 The Market has made good progress and now has a recycling rate of about 70%. It is working with local groups on reducing waste as well as working with Devon Recycling to promote local recycling and composting schemes to the general public.

5.0 Recommendations

- 5.1 The Council has made progress in phasing out the use of SUPs on Council premises, and is actively working with suppliers to take action where appropriate. It is recommended that the Environment PDG continues to monitor actions taken by the Council on SUPs, perhaps in an update to the Group in twelve months' time.

Contact for more Information: Clare Robathan, Policy and Research Officer
crobathan@middevon.gov.uk
Tel. 01884 234324

Circulation of the Report: Cabinet Member for the Environment and Climate Change
Leisure Manager; Procurement Manager;
Communications and Engagement Manager;
Group Manager for Public Health and Regulatory Services; Group Manager for Corporate Property

and Commercial Assets; Group Manager for Building Services (input/comments sought from all).

List of Background Papers: Procurement letter and previous report dated March 2019.

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ENVIRONMENT POLICY DEVELOPMENT GROUP

5TH MARCH 2019

Single use plastic update

Cabinet Member(s): Cllr Clive Eginton, Leader of Council
Responsible Officer: Kevin Swift, Public Health Officer

Reason for Report: To provide an update on the implementation of Motion 549 (Cllr B Evans - 8th June 2018), which aims to phase out the use of Single Use Plastics (SUPs) by the Council.

RECOMMENDATION: That the PDG notes the report.

Relationship to Corporate Plan: Priority: Environment

Aim 1 – Increase recycling and reduce the amount of waste

- Provide a high standard waste and recycling service for the benefit of all households
- Reduce the amount of residual waste produced
- Work with businesses, especially pubs and restaurants, to encourage recycling to improve business efficiency and reduce commercial waste going to landfill
- Increase understanding of environmental sustainability and recycling initiatives through education and promotional activities

Financial Implications: Potential increase in revenue from recycling

Legal Implications: None

Risk Assessment: Degradation of environment, increase costs associated with cleaning up discarded SUPs.

Equality Impact Assessment: Not applicable to this report.

1.0 Review of Mid Devon District Council's SUP usage

1.1 The main source of single use plastic used by the Council comes from food and beverage packaging and tableware. This type of plastic is commonly found along our coastlines and discarded in our countryside. The impact on animal and human health has been well documented and is of growing concern to the community. The potential for plastics to pass through the food chain is also a growing threat.

1.2 Mid Devon Leisure have a number of channels by which SUPs are purchased such as through vending machines or by suppliers to the cafes in operation at Exe Valley and Lords Meadow. Since the motion was passed Leisure management have engaged with the cafes to review their products and practices. Each operator provided a summary:

Camper Coffee (Lords Meadow)

Cups and lids are compostable.
Milk containers/plastic wraps are recycled.
Wooden stirrers are Biodegradable.
Discount offered for use of reusable cups.
Glass has to be taken off site but is recycled.

Elsie May (Exe Valley)

Using Veg ware take away cups, which are compostable.
Started to change all packaging recently to veg ware or similar.
Using paper bags/carrier bags with cardboard cup holders and wooden stirrers, paper straws, wooden knives, forks and spoons and some veg ware packaging.
Smoothie cups are still at this moment in time single use plastic but the supplier does have veg ware smoothie cups on their stock list.
The plastic cup lids and any plastic cutlery we have left, currently working through our stock but once they have gone they will all be bio gradable.
We do recycle our cardboard but don't recycle our plastic milk bottles, glass or plastic drink bottles.

Culm Valley Coffee Machine

Identified suppliers for compostable lids and cups. We would have to use up the current stock, but the price is very comparable to the lids currently in use.
Current cups in use can be recycled; however, there is no clear mention of them being biodegradable or compostable.

Mid Devon Leisure will continue to work with the companies and their suppliers in moving towards alternatives or replacements for SUPs.

2.0 Vending machines

2.1 The removal of SUPs in vending machines would rely on major national suppliers moving to more sustainable packaging. Though this may be desirable it is unlikely to happen in the short term. The recycling of drink bottles remains our most effect way of reducing the impact of SUPs. Producing energy from waste remains another alternative route. National and local initiatives to introduce refund schemes may also improve the recycling rate. Mid Devon Leisure are looking at ways of maximising the collection of drink bottles at their centres.

3.0 Program area initiatives

3.1 The following table outlines progress that has been taken by each program area. It should be noted that where possible general packaging of goods e.g. plastic wrap will be taken up by Procurement rather than by an individual program area.

Program	Actions
Finance/Procurement	Sent letter to all suppliers (approx. 180) asking them to complete a survey about SUPs. This will provide information about company plans and will hopefully encourage further positive dialogue between Council and companies on this issue.

Public Health and Regulatory services	Plastic specimen containers are now sterilised and re-used. Very little SUP used other than what can be readily recycled in Phoenix House.
Performance, Governance and Data Security	No SUPs used.
Building Services	Written to all building product suppliers explaining that we have signed up to a pledge to reduce single use plastics and asked them to support this fact. They have also asked them for a copy of their environment policy. No longer use or order plastic cups for the water cooler. Have taken steps to increase waste segregation in the yard, ultimately with a view to recycling as much plastic waste as possible e.g. PVC sheets now recycled.
Housing	No SUPs used.
ICT	No SUPs used.
Legal Services and land charges	No SUPs used.
Business transformation and customer Engagement	Removed plastic 'water' cups from all meetings. Staff and Member meetings now using china cups. Recyclable paper cups available for large public meetings.
Street Scene and Open Spaces	Worked with Public Health and Leisure to increase recycling. New bins provided.

Contact for more Information: Kevin Swift, Public Health Officer
kswift@middevon.gov.uk
Tel. 0781 135 876

Circulation of the Report: Cllr Clive Eginton, Andrew Pritchard, Dir. Of Operations

List of Background Papers: Procurement letter

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✓

Does your business have already in place policies/plans to reduce of Single Use Plastic?

- A) Within your own business premises? Yes ✓ No
- B) With the provision of your product /services to clients? Yes ✓ No
- C) Within your supply chain? Yes ✓ No

If you answered "Yes" to any of the above, please can you attach a copy or link to your website

<https://www.thehygienecompany.com/environmental-management-policy-statement/>

If your company does not yet have a plan/policy in place to reduce of Single Use Plastic is it your intention to introduce one? Yes No

If Yes, do you have an approximate date for when this might be?

Is your business actively seeking alternatives to plastic in the design and manufacture of the products you supply?

Yes ✓ No

Is your business actively seeking alternatives and removing plastic packaging from your products?

Yes ✓ No

Does your business view the drive to reduce single use plastic as a nuisance or an opportunity?

Nuisance....... Opportunity ✓.......

Please can you give more detail below on what influences the point of view indicated above.

We now produce a full range of biodegradable wipes in either recyclable bags or biodegradable bags.....

.....

.....

Please return to procurementoffice@middevon.gov.uk

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**ENVIRONMENT PDG
26TH NOVEMBER 2019**

UPDATE ON THE STREET SCENE EDUCATION AND ENFORCMENT TEAM

Cabinet Member(s): Cllr Luke Taylor, Cabinet Member for the Environment and Climate Change
Responsible Officer: Stuart Noyce, Group Manager - Street Scene and Open Spaces

Reason for Report: To provide an update on the performance of the Street Scene Education and Enforcement Team and agree the priorities of the team going forward.

RECOMMENDATION: That the PDG reviews the report and feeds back any areas of concern or proposed changes to the Cabinet.

Financial Implications: None identified

Legal Implications: None identified

Risk Assessment: If performance is not monitored we may fail to meet our corporate and local service plan targets or to take appropriate corrective action where necessary.

Equality Impact Assessment: No equality issues identified for this report.

Relationship to Corporate Plan: Street Scene Services is a frontline service which works throughout the District ensuring the cleanliness and attractiveness of our public realm through both education and enforcement.

Impact on Climate Change: The continued increase of recycling by residents through education and enforcement should reduce the impact of household waste on the environment.

1.0 Introduction

- 1.1 At the Environment Policy Development Group meeting on the 7th March 2017 a list of recommendations were made and accepted by the Cabinet regarding smarter working practices. This followed a review of the Street Scene Education and Enforcement Service and team which was undertaken over the previous eight months.
- 1.2 A revised working pattern was developed by management and staff during the review and was introduced on the 1st April 2017. Under the new working pattern officers now work four in six days (Mon – Sat) on a rota basis (9.25 hours per day).
- 1.3 The new working pattern split the District into two areas, North and South, each area having two officers assigned to it. This allowed officers to build up knowledge and provide cover for periods of absence. On each week day, each area has one officer assigned to it and the third officer undertakes project work.

1.4 The longer working days gave District Officers the ability to communicate with residents outside of normal office hours. These changes, and a review of processes, reduced the team's resources by 1 FTE and 1 van yet increased performance.

2.0 District Officer Activity

2.1 The duties carried out by the team are outlined below.

Statutory – The authority has a legal duty to undertake this activity. This includes: Stray dogs; Dangerous Dogs; Fly tipping investigations; Abandoned Vehicle Removal.

Mandatory – activity which if not undertaken could lead to a loss of income, service disruption or reputational damage for the authority. This includes: Car Parking Enforcement; Compulsory Recycling; Trade Waste Enforcement; Environmental crime investigation; Travel; HR activities; paperwork;

Discretionary – activity which the authority can choose how much or little it wants to do. This includes: Litter patrols; Dog Fouling Patrols; Cleansing Inspections; microchipping events.

At present the activity for the District Officer Team is monitored by manual timesheets that are submitted by the officers at the end of each week.

At the May 2018 Environment PDG a review of the original allocation of the 300 discretionary annual hours was completed and changed to what is set out in Table 1. The table shows the outcomes from this work.

Table 1 – Allocation of discretionary hours and outcomes

Duties	Agreed Allocation of Disc. hours	Hours Allocated p.a.	Outcomes 2018/19 & 2019/20 Q1&2
Compulsory Recycling	40% (120 hours)	120	Stage 1 – 855* Stage 2 – 40 Stage 3 – 0
Cleansing Inspections	10% (30 hours)	30	95.8% A or B litter 95.1% A or B detritus
Dog Fouling Patrols	10% (30 hours)	30	1 fine issued
Litter Patrols	40% (120 hours)	120	25 fines issued

*some of these were completed by the Recycling Officer in 2019

3.0 Performance Information

- 3.1 The outcomes of the new ways of working for the team can be seen in Table 1. The total number of PCNs issued (summary in Table 2) in 2018/19 has increased by 26.69% from those recorded in 2016/17 before the changes were implemented. The total number of FPNs issued in 2018/19 were 17 an Increase of 70% from 2016/17.
- 3.2 The investigations into vehicles which have been reported abandoned have increased by 17.05% from 2016/17. This is likely due to the decrease in value for scrap vehicles. This number appears to have decreased again during 2019.

Table 2 - Number of PCNs & FPNs Issued and Abandoned Vehicles Reports Inspected

Month	PCN's 2016/17	FPN's 2016/17	Abandoned Vehicles 2016/17	PCN'S 2018/19	FPN's 2018/19	Abandoned Vehicles 2018/19	PCN'S 2019/20	FPN's 2019/20	Abandoned Vehicles 2019/20
April	132	1	29	151	3	39	197	2	14
May	117	1	29	187	1	28	157	2	33
June	129	0	26	181	3	52	196	2	31
Total Q1	378	2	84	519	7	119	550	6	78
July	175	0	31	195	1	42	159	2	23
August	206	0	25	202	1	40	161	2	36
September	146	1	29	165	2	31	150	0	27
Total Q2	527	1	85	562	4	113	470	4	86
October	205	0	26	180	1	24			
November	155	1	38	204	0	40			
December	156	3	47	146	0	35			
Total Q3	516	4	111	530	1	99			
January	156	1	14	256	1	28			
February	130	1	20	210	2	26			
March	80	1	32	187	2	20			
Total Q4	366	3	66	653	5	74			
Grand Total	1787	10	346	2264	17	405	1020	10	164

- 3.3 A total of 448 Street cleansing inspections were undertaken. The results from the inspections can be seen in Table 3. The inspections have been undertaken following training from Keep Britain Tidy and in-line with the old NI195 methodology. The results show that 95.8% of roads inspected were graded as A or B for litter and 95.1% for detritus. On previous benchmarking this would have put the district in the top quartile. Where the inspections identified areas where there is a higher incidence of litter and detritus (Grade C&D) the operations service has been informed to target resources to these areas.

Table 3 – Land Survey Results to date 2018/19 & 2019/20 Q1&2

	Litter	Detritus
Number of Wards Surveyed	26	26
Total Number of Transects Surveyed	448	448
% of Transects Graded A	75.40%	72.70%
% of Transects Graded B	20.40%	22.40%
% of Transects Graded C	0.05%	0.05%
% of Transects Graded D	0.00%	0.00%

Grade A – No litter or refuse

Grade B – Predominantly free of litter and refuse except for some small items

Grade C – Widespread distribution of litter and refuse, with minor accumulations

Grade D – Heavily littered, with significant accumulations

4.0 Conclusion and Recommendation

4.1 The new ways of working have had a positive impact on performance, delivered the expected savings and been well accepted by the staff.

4.2 That the PDG reviews the performance indicators and risks for 2019-20 that are outlined in this report and feeds back any areas of concern to the Cabinet.

Contact for more Information: Stuart Noyce, Group Manager – Street Scene & Open Spaces. Ext 4635

Circulation of the Report: Leadership Team and Cabinet Member

**ENVIRONMENT PDG
26TH NOVEMBER 2019**

FINANCIAL UPDATE FOR THE SIX MONTHS TO 30 SEPT 2019

Cabinet Member Cllr Alex White

Responsible Officer Andrew Jarrett – Deputy Chief Executive (S151)

Reason for Report: To present a financial update in respect of the income and expenditure so far in the year.

RECOMMENDATION(S):

- 1. The Environment PDG note the financial monitoring information for the income and expenditure for the six months to 30 September 2019 and the projected outturn position.**

Relationship to the Corporate Plan: The financial resources of the Council impact directly on its ability to deliver the corporate plan; prioritising the use of available resources brought forward and any future spending will be closely linked to key Council pledges from the updated Corporate Plan.

Financial Implications: Good financial management and administration underpins the entire document.

Legal Implications: None.

Risk Assessment: Regular financial monitoring information mitigates the risk of unforeseen over or underspends at year end and allows the Council to direct its resources to key corporate priorities.

Equality Impact Assessment: It is considered that the impact of this report on equality related issues will be nil.

Impact on Climate Change: There are no direct impacts from the content of this report.

1.0 Introduction

- 1.1** The purpose of this report is to highlight to the Cabinet our current financial status and the likely reserve balances at 31 March 2020. It embraces both revenue, in respect of the General Fund; the Housing Revenue Account (HRA), and Capital and aims to focus attention on those areas which are unlikely to achieve budget. It is particularly important for next year's budget setting and, looking further ahead, with the medium term financial plan.
- 1.2** Favourable variances generating either increased income or cost savings are expressed as credits (negative numbers), whilst unfavourable overspends or incomes below budget are debits (positive numbers).

2.0 Executive Summary of 2019/20

2.1 The table below shows the opening position of key operational balances of the Council, the forecast in year movements and final predicted position at 31 March 2020:

Usable Reserves	31/03/2019	Forecast in year movement	31/03/2020
	£k	£k	£k
Revenue			
General Fund (see paragraph 3.2)	(2,501)	(29)	(2,530)
Housing Revenue Account (see paragraph 4.2)	(2,000)	0	(2,000)
Capital			
Capital Receipts Reserve	(3,620)	(1,212)	(4,832)
Revenue Contribution to Capital Earmarked Reserve	(415)	185	(230)

3.0 The General Fund Reserve

3.1 This is the major revenue reserve of the Council. It is increased or decreased by the surplus or deficit generated on the General Fund in the year. This reserve held a balance of £2.501m as at 31/03/19.

3.2 The forecast General fund **surplus** for the current year is £29k after transfers to and from Earmarked Reserves as shown at Appendix A. Members should note that we are currently undertaking a review of minimum reserve levels. We will subsequently bring a report to Cabinet with recommendations.

The **most significant variances** comprise:

	£k
Waste Services – Shared savings scheme and vacancies	(143)
Trade Waste and recycling - Increase in customers and reduced discounts etc.	(94)
New vehicle contract – Funded by EMR	55
Public Health – Air Quality S106 (covered by EMR) and legal costs	91
Planning – Downturn in Planning income less salary savings	165
Garden Village project – funded by EMR	83
S106 spend re Public Open Space – funded by EMR	76
Cullompton Master Plan – funded by EMR	60
Statutory Plan – Funded by EMR	46
Car Parking – Shortfall Premier Inn	19
General Fund Housing - Grant funding – to be earmarked	(127)
Property – Various including salary savings; loss of income; etc.	(23)
Legal – Software budget not required	(15)

Democratic Services – District Elections shortfall	25
Electoral Registration – Increase in IER funding and delayed boundary review	(47)
Leisure – Vacant posts etc. partly offset by utilities overspend	(7)
Revs and Bens – Various including reduced subsidy and salary savings	(9)
3 Rivers Impairment – Partly offset by a statutory reversal of £377k	503
Statutory Adjustments – Reversal of Capital impairment 3 Rivers	(377)
Statutory Adjustments – Reduction in Minimum Revenue Provision (less borrowing than anticipated)	(50)
Interest income – additional income	(150)
Earmarked Reserves transfers	(181)
Net Business Rates retention – more levy from increased growth	59

3.3 The major variances are highlighted at Appendix B. The current incomes from our major funding streams are shown at Appendix C, whilst current employee costs are shown at Appendix D.

4.0 Housing Revenue Account (HRA)

4.1 This is a ring-fenced account in respect of the Council's social housing function. Major variances and proposed corrective action are highlighted at Appendix F.

4.2 Appendix E shows that the reserve opening balance is £2m. It is anticipated that the forecast variance of £486k surplus will increase the budgeted transfer to the Housing Maintenance Fund and so the HRA reserve balance should remain at £2m.

4.3 Overall, the HRA is forecast to underspend by £486k in 2019/20, made up of several deficits and surpluses, the most significant of which comprise the following:

- £53k underspend relating to planned revenue works – Building Services (DLO)
- £150k underspend in relation to staffing within repairs team, Building Services (DLO)
- £40k forecast reduced activity on DFG works - Building Services (DLO)
- £90k underspend relating to staffing within Housing Services (tenancy)
- £230k underspend relating to future HRA projects

5.0 Capital Programme

5.1 Capital projects, by their very nature, often overlap financial years. The status of this year's capital programme is shown at Appendix G.

5.2 The approved Capital Programme amounts to £31.548m (this includes the approved 2019/20 Budget £14.597m, slippage rolled forward from 2018/19 of £12.077m and additional projects approved since Q1 amounting to £4.874m). These additional projects are as follows:

£0.050m MSCP – Top deck resurfacing increased cost

£0.050m	Contribution to South West Mutual Bank
£0.468m	3 Rivers Loan - Threwstones
£1.224m	3 Rivers Loan – Orchard House
£0.650m	Cullompton Town Centre Relief Road
£0.050m	Tiverton EUE A361 Junction Phase 2
£2.100m	GP Practice NHS Hub Building Crediton
£0.282m	RTB Buyback

£4.874m Total

- 5.3 The revenue monitoring report reflects the fact that the 3 Rivers project, Rear of Town Hall development (Riverside) is likely to overspend by c£377k. We have therefore impaired this loan by an equal amount. As this is a capital loan it is reversed in the revenue account but it will have an impact in 2020/21 when it will trigger Minimum Revenue Provision (MRP) payments over 3 years of £126k per annum. Any increase in this overspend will of course add a further pressure.
- 5.4 We also have a “working capital loan” with 3 Rivers which is currently at risk (£504k). This was due to be repaid over 5 years but as there is doubt over the ability of the company to repay this in this timescale, it is prudent to impair it over the remaining life of the loan, 4 years at £126k per annum. This is a real cost to the revenue account. Both the £377k and the £125k are shown against Corporate Management.
- 5.5 As stated in 5.1, some of these projects will overlap financial years. Managers have therefore given their best estimate of what is ‘deliverable’ for 19/20; this amounts to £11.782m (£7.277m in Quarter 1). Therefore, committed and actual expenditure will be monitored against this revised ‘deliverable’ budget for the remainder of the year.
- 5.6 The deliverable budget has been established following meetings with managers to determine a realistic forecast of spend based on known information at this point in the year. This will continue to be revisited for material changes.
- 5.7 Committed and Actual expenditure is currently £8.687m against a ‘deliverable’ Capital Programme of £11.782m leaving a variance of £3.095m uncommitted at this point in time.
- 5.8 Additional work has been undertaken to establish forecast slippage and potential underspends against the approved Capital Programme and are also detailed on Appendix G.
- 5.9 Forecast slippage amounts to £4.445m, which mainly relates to: £0.900m in relation to the Tiverton redevelopment project, £0.602m in relation to the 3 Rivers Project at the rear of the Town Hall which is forecast to be completed in 21/22, £0.547m for the 3 Rivers Project at Orchard House that will be completed in 20/21, £0.600m in relation to Land Acquisition for operational needs and £1.350m in relation to Council House building at Round Hill, Tiverton. For further detail please refer to Appendix G.

- 5.10 A comprehensive review of projects has also been undertaken to either remove them from the 19/20 Programme where no longer required or re-profile into the 20/21 to 23/24 MTFP that was presented at 17 October 2019 Cabinet. The forecast net underspend amounts to £11.738m, this mainly relates to: £3.7m for the District Wide Redevelopment Project, £2m for Waddeton Park, (this is now included in future years in the Capital MTFP presented at the October Cabinet), £2.1m to enable Social Housing projects and two Council House Building Projects at £2m each which have been further quantified in the forward MTFP. Again, for further detail please refer to Appendix G.

6.0 Revenue Contribution to Capital EMR

- 6.1 The Capital Earmarked Reserve has been set aside from Revenue to fund Capital Projects; the movement on this reserve is projected below:

	£k
Capital Earmarked Reserve at 1 April 2019	(415)
Funding required to support 2019/20 Capital Programme	185
Forecast uncommitted Balance at 31 March 2020	(230)

7.0 Capital Receipts Reserve (Used to fund future capital programmes)

- 7.1 Unapplied useable capital receipts are used to part fund the capital programme, the movement on this account for the year to date is given below:

	£k
Unapplied Useable Capital Receipts at 1 April 2019	(3,620)
Net Receipts to Q2 (includes 21 "Right to Buy" Council House sales)	(1,215)
Current Balance	(4,835)
Forecast further capital receipts in year	(600)
Forecast capital receipts required to support 2019/20 Capital Programme	603
Forecast Unapplied Capital Receipts 31 March 2020	(4,832)

- 7.2 The forecast reserve balance for the Revenue Contribution to Capital Reserve and the Capital Receipts Reserve includes the associated funding of the 19/20 Capital Programme, as these monies are committed. In reality, much of this will slip to 20/21. It is also important to note that these balances are likely to be fully utilised in order to balance the Capital Medium Term Financial Strategy.

8.0 Treasury Management

8.1 The interest position so far this financial year can be summarised as follows:

Interest Receivable:

	Budget £k	Forecast outturn £k	Forecast variance £k
Investment Income Received	(443)	(533)	(90)
Interest from HRA funding	(49)	(49)	0
Total Interest Receivable	(492)	(582)	(90)

8.2 The additional income from 3 Rivers loans and the interest rate is holding well due to the delay in Brexit. The interest saving in interest payable is due to the fact we have not taken out external borrowing (PWLB), as expenditure has been low and we have funded initially from internal resources.

9.0 Council Tax and Housing Benefits Collection Performance – 2018/19

9.1 We have added a new Appendix H to outline the performance in this area for the previous year and to compare collection rates to national averages. The statistics show that our results are commendable when compared to national averages.

10.0 Conclusion

10.1 Members are asked to note the revenue and capital forecasts for the financial year. Managers are working hard to offset overspends, some of which are unavoidable, with budget savings to deliver an outturn close to the budget. Members will be aware that management action has improved the position from Quarter 1 which was showing a projected overspend of £427k.

10.2 The work undertaken to produce this monitoring information to 30 Sept 2019 will be used to inform the 2020/21 Budget setting process where required.

Contact for more information:

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Circulation of the Report:

Cllr Alex White, Leadership Team

**GENERAL FUND FINANCIAL MONITORING INFORMATION FOR THE PERIOD FROM 01 APRIL TO 30 SEPTEMBER
2019**

General Fund Summary	Note	2019/2020	Full Year	Full Year	Variance
		Annual Budget	Forecast	Variance	
		£			(0 = On budget)
				£	%
Cllr Bob Deed					
Corporate Management	A	1,696,520	2,209,520	513,000	30.2%
Cllr Luke Taylor					
Grounds Maintenance	E	596,740	587,740	(9,000)	-1.5%
Cemeteries & Bereavement Services	D	(86,540)	(76,540)	10,000	-11.6%
Waste Services	H	1,983,480	1,797,307	(186,173)	-9.4%
Cllr Dennis Knowles					
Community Development	I	104,660	99,660	(5,000)	-4.8%
Environmental Services incl. Licensing	D	770,010	854,882	84,872	11.0%
IT Services	Q	972,610	989,210	16,600	1.7%
Land charges	N	(20,530)	(30,530)	(10,000)	48.7%
Open Spaces	F	91,800	97,112	5,312	5.8%
Recreation And Sport	J	740,302	746,618	6,316	0.9%
Cllr Alex White					
Finance And Performance	K	707,320	707,320	0	0.0%
Revenues And Benefits	L	430,400	422,525	(7,875)	-1.8%
Car Parks	C	(535,210)	(502,210)	33,000	6.2%
Cllr Simon Clist					
Private Sector Housing	D	(6,070)	12,820	18,890	-311.2%
General Fund Housing	M	212,630	75,650	(136,980)	-64.4%
Property Services	G	644,230	619,720	(24,510)	-3.8%
Cllr Graeme Barnell					
Community Development: Markets	I	50,180	65,180	15,000	29.9%
Planning And Regeneration	N	1,296,884	1,707,157	410,273	31.6%
Cllr Mrs Nikki Woollatt					
Customer Services	O	770,510	751,510	(19,000)	-2.5%
Human Resources	P	465,090	480,090	15,000	3.2%
Legal & Democratic Services	B	1,136,206	1,076,136	(60,070)	-5.3%
Public Health	D	(4,890)	(4,890)	0	0.0%
All General Fund Services		12,016,332	12,685,987	669,655	5.6%
Net recharge to HRA		(1,534,110)	(1,534,110)	0	
Statutory Adjustments (Capital charges)		333,280	(93,720)	(427,000)	
Net Cost of Services		10,815,502	11,058,157	242,655	2.2%
Finance Lease Interest Payable		44,420	44,420	0	
Interest from Funding provided for HRA		(49,000)	(49,000)	0	
Interest Receivable / Payable on Other Activities		167,580	107,580	(60,000)	
Interest Receivable on Investments		(442,540)	(532,540)	(90,000)	
Transfers into Earmarked Reserves	APP B	2,267,363	2,603,030	335,667	
Transfers from Earmarked Reserves	APP B	(2,036,744)	(2,552,996)	(516,252)	
Contribution from New Homes Bonus Reserve	APP B	(587,850)	(587,850)	0	
Total Budgeted Expenditure		10,178,731	10,090,801	(87,930)	-0.9%
Revenue Support Grant		0	0	0	
Rural Services Delivery Grant		(466,695)	(466,695)	0	
New Homes Bonus Grant		(1,243,503)	(1,243,503)	0	
Retained Business Rates		(3,247,005)	(3,125,195)	121,810	
Business Rates Deficit		778,906	778,906	0	
Business Rates Benefit from Devon Pool		(100,000)	(163,000)	(63,000)	
CTS Funding Parishes		0	0	0	
Collection Fund Surplus		(71,330)	(71,330)	0	
Council Tax		(5,829,104)	(5,829,104)	0	
Total Budgeted Funding		(10,178,731)	(10,119,921)	58,810	-1%
Forecast in year (Surplus) / Deficit		0	(29,120)	(29,120)	
General Fund Reserve 30/09/2019				(2,483,294)	
Forecast General Fund Balance 31/03/2020				(2,512,414)	

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GENERAL FUND FINANCIAL MONITORING INFORMATION FOR THE PERIOD FROM 01 APRIL TO 30 SEPTEMBER 2019

Note	Description of Major Movements	Full year variance (net of transfer to EMR)	PDG
A	Corporate Management		
	Forecast overspend on bank charges	10,000	Cabinet
	3 Rivers - Working capital impairment - IFRS 9 the risk of non-repayment of the loan	126,000	Cabinet
	3 Rivers - Riverside impairment - Relates to the potential overspend on the project leading to non-repayment of loan	377,000	Cabinet
		513,000	
B	Legal & Democratic Services		
	Legal Services-estimated underspend against the salary budget due to a vacant post	(5,500)	Cabinet
	Legal Services-estimated under recovery of S106 income	10,000	Cabinet
	Legal Services-fees and charges income higher than budget	(4,000)	Cabinet
	Legal Services-software budget not required	(15,400)	Cabinet
	Member Services-estimated savings against the salary budget due to carrying a vacancy for a number of months	(7,000)	Cabinet
	Electoral Registration-increase in IER funding above budget	(16,800)	Cabinet
	District Elections- After utilising earmarked reserves estimate of £25k shortfall in covering election spend	25,000	Cabinet
	Electoral Registration-saving against the salary budget due to vacancy	(5,000)	Cabinet
	Parish Elections- Recharging more of the costs to parishes than previously forecast	(7,500)	Cabinet
	Democratic Rep-savings on internet access payments and Members registration	(3,870)	Cabinet
	Electoral Registration- Budget for boundary review no longer required	(30,000)	Cabinet
		(60,070)	
C	Car Parks		
	P&D Income shortfall forecast in MSCP of £24k due to ongoing Premier Inn works, forecasting increased income in some of our P&D car parks of £5k.	19,000	Economy
	MSCP - Increased Security patrols to protect users and property from anti-social behaviour, has resulted in a budget overspend.	6,000	Economy
	Increased Electricity usage due to 24 hour opening of the MSCP and increased usage from contractors.	8,000	Economy
		33,000	
D	Public Health combined		
	Net of S106 Air Quality expenditure & income, covered by transfers from EMRs	71,872	Community
	One off unavoidable Employment costs in Public Health	4,900	Community
	Licensing - Salary overspend due to JE regrades. We will be able to adjust fees going forward and hope to recover some of this overspend this year.	8,100	Community
	External Legal costs associated with major Housing prosecution, some costs awarded by the Courts but remain outstanding.	18,890	Homes
	Cemetery Income below profile for 2nd Qtr, will review month by month.	5,000	Environment
	Reduced income on Regulatory Services	5,000	Environment
		113,762	
E	Grounds Maintenance		
	Salary savings - vacant Team Leader post not recruited to whilst service structure is being reviewed	(25,000)	Environment
	New vehicle contract - funded from earmarked reserve in year	16,000	Environment
		(9,000)	
F	Open Spaces		
	S106 Expenditure funded by transfer from an EMR	5,312	Community
		5,312	
G	Property Services		
	New vehicle contract - funded from earmarked reserve in year	6,000	Environment
	Public Conveniences Utility charges are lower than budgeted due to reduction in the number of PC's and more accurate billing from Laser.	(7,000)	Environment
	Historic Business Rates reduction applied to Phoenix House due to office mergers have resulted in a rates underspend.	(43,000)	Homes
	Un-budgeted costs for the upgrade of communication equipment in the Exe Room, off-set against underspend on Rates	14,000	Homes
	Security costs higher than budget for Phoenix House	6,600	Homes
	Salary savings within Property Services due to vacant posts (partially off-set by Agency costs)	(70,000)	Homes
	Agency overspend covering vacant posts within Property Services	14,500	Homes
	Loss of income from Fore Street Flats and rates from vacant shop unit	21,390	Economy
	Loss of rental income and increased costs from rates and service charges due to vacant units within Market Walk	33,000	Economy
		(24,510)	
H	Waste Services		
	Vacant posts part offset by agency	(28,000)	Environment
	Additional overtime in Recycling due to operational issues	10,000	Environment
	Waste - Shared Saving Scheme increase from budget. 2018-19 additional £79k and estimating an additional £46k for 2019-20	(125,000)	Environment
	S106 income, transferred to an EMR	827	Environment
	Trade Waste - Increase in customer base and reduced discounts - leading to increased income	(89,000)	Environment
	Trade Waste - Purchase of additional bins	20,000	Environment
	Trade Waste - Disposal costs up due to an increase in customer base	10,000	Environment
	Garden waste, permit sales up	(5,000)	Environment
	Recycling materials, paper tonnage and price down against budget	44,000	Environment
	Recycling materials, mixed plastics tonnage and price up against budget	(79,000)	Environment
	New vehicle contract - funded from earmarked reserve in year	55,000	Environment
		(186,173)	
I	Community Development		

Community Development grant funding	(5,000)	Community
Salaries - job evaluation and additional cover over the busy Christmas period	15,000	Community
	10,000	
J Recreation And Sport		
Salaries - vacant posts.	(80,000)	Community
Dryside - loss of income due to termination of contract with a 3rd party and recruitment issues re qualified staff.	20,000	Community
Over achieving membership targets for fitness.	(24,000)	Community
Vouchers cashed in against fitness and wetside income.	6,000	Community
Savings due to not renewing cascade communication software	(3,500)	Community
Wetside - reduction in casual swim as per the national trend within the industry	17,500	Community
Feasibility Study	11,716	Community
Utilities overspend due to Energy provider invoicing now is more accurate	58,600	Community
	6,316	
K Finance And Performance		
	0	
L Revenues And Benefits		
Housing Benefit Subsidy & Overpayment recovery	40,000	Community
Forecast income from Court Costs is anticipated to be lower than Budgeted	14,000	Community
Estimated income from Single Occupancy Discount penalties (not budgeted)	(20,000)	Community
Additional Forecast C/Tax Annexe Grant	(4,000)	Community
Revenues and Benefits forecast salary savings; in the main due to vacant posts in HB in part offset by additional overtime & temporary increases for supervisors acting up	(19,000)	Community
Software costs associated with Citizens Access	33,950	Community
Software costs associated with new CTR scheme	11,000	Community
Various New Burdens grants from DWP in respect of Housing Benefits initiatives delivered within existing resource	(49,000)	Community
Adjustment to CTB entitlement (re pre 01/04/13 CTB old scheme) not required to be repaid to DCLG & additional CTB admin grant than budgeted	(5,600)	Community
Additional New Burdens NNDR Grant for the administration of Retail Rate Relief delivered within existing resource	(9,225)	Community
	(7,875)	
M General Fund Housing		
Community Alarms: estimated surplus due to underspend on service overheads	(10,000)	Homes
GF Housing: grant funding received will be earmarked towards future service sustainability	(126,980)	Homes
	(136,980)	
N Planning And Regeneration		
Net of S106 Public Open Space expenditure & income, covered by transfers from EMRs	76,153	Community
Garden Village project consultancy spend funded by transfer from EMR	82,770	Community
Salary savings due to not recruiting for the secondment of the graphics technician, a delay in recruitment of the monitoring information officer and maternity savings	(17,000)	Community
Statutory Plan - saving on budgeted GESP contribution	(5,000)	Community
Statutory Plan - Local Plan costs funded by transfer from EMR	45,500	Community
Development Management - planning income. Consistently over the last 12 mths there has been a downturn in fees, this has been driven by external circumstances affecting the submission of larger fee earning applications. Officers are working with developers to try and bring forth applications via the pre application process. Most recently the forecast shortfall has in part been offset through a major fee bearing application	182,000	Community
Development Management - supplies & services. Main contributor being required advertising.	7,000	Community
Cullompton Town Centre Masterplan, funded by transfer from EMR	60,000	Community
Business Development Grant funding	(10,500)	Community
Income from Section 97 work	(10,650)	Community
Land charges Devon County Council searches	(10,000)	Community
	400,273	
O Customer Services		
Hardware support and maintenance - customer services and replacement of the self service kiosk (funded from reserve)	10,000	Community
Overtime budget not required	(4,000)	Community
Vacancy Savings	(25,000)	Community
	(19,000)	
P Human Resources		
Realignment of basic establishment prior to review of service needs	15,000	Cabinet
	15,000	
Q I.T. Services		
Digital services cloud software licence - expenditure covered by salary savings in the CS codes	7,500	Cabinet
Idox support fees more than budgeted	7,800	Cabinet
Central Government have delayed moving towards utilising the public internet for submission of statutory returns - meaning the Council has to pay for a private sector network connection to submit its returns	9,600	Cabinet
Vacant posts	(8,300)	Cabinet
	16,600	
FORECAST (SURPLUS)/DEFICIT AS AT 31/03/2020	669,655	

Cabinet	484,530
Community	479,898
Homes	(195,990)
Environment	(186,173)
Economy	87,390
	669,655

GENERAL FUND FINANCIAL MONITORING INFORMATION FOR THE PERIOD FROM 01 APRIL TO 30 SEPTEMBER 2019

Fees and Charges	2019/20	2019/20	2019/20	2019/20	Full Year	Variance
	Annual Budget	Profiled Budget	Actual	Variance	Forecast	
	£	£	£	£	Variation	
Building Control Fees	(240,000)	(120,000)	(146,860)	(26,860)	0	0%
Planning Fees	(946,500)	(473,250)	(306,234)	167,016	182,000	-19%
Land Search Fees	(120,000)	(60,000)	(62,263)	(2,263)	0	0%
Car Parking Fees - See Below	(733,290)	(351,726)	(347,767)	3,960	19,000	-3%
Leisure Fees & Charges	(2,881,030)	(1,459,766)	(1,322,266)	137,499	26,000	-1%
Trade Waste Income	(699,000)	(694,810)	(771,317)	(76,507)	(89,000)	13%
Garden Waste	(482,100)	(170,030)	(171,800)	(1,770)	(5,000)	1%
Licensing	(145,190)	(58,660)	(55,459)	3,201	0	0%
Market Income	(83,350)	(30,397)	(35,346)	(4,949)	0	0%
	(6,330,460)	(3,418,639)	(3,219,312)	199,327	133,000	-2.1%

Car Parking Fees		2019/20	2019/20	2019/20	2019/20	Bud Income	
						Spaces	pa per space
Beck Square, Tiverton	(79,500)	(42,843)	(41,497)	1,345	40	(1,988)	
William Street, Tiverton	(26,280)	(13,266)	(12,675)	591	45	(584)	
Westexe South, Tiverton	(49,000)	(26,538)	(23,467)	3,071	51	(961)	
Wellbrook Street, Tiverton	(14,000)	(7,055)	(7,666)	(611)	27	(519)	
Market Street, Crediton	(37,500)	(19,928)	(18,501)	1,427	39	(962)	
High Street, Crediton	(75,000)	(38,310)	(40,664)	(2,354)	190	(395)	
Station Road, Cullompton	(33,500)	(18,720)	(20,540)	(1,820)	112	(299)	
Multistorey, Tiverton	(126,980)	(65,623)	(52,372)	13,251	631	(201)	
Market Car Park, Tiverton	(210,000)	(103,167)	(105,585)	(2,418)	122	(1,721)	
Phoenix House, Tiverton	(5,500)	(2,775)	(2,765)	10	15	(367)	
P&D Shorts & Overs	0	0	95	95	0	0	
Total Pay and Display	(657,260)	(338,224)	(325,637)	12,587	1,272	(7,995)	
Day Permits	(16,000)	(1,605)	(698)	908			
Allocated Space Permits	(41,500)	(2,702)	(9,442)	(6,740)			
Overnight Permits	(200)	0	(473)	(473)			
Day & Night Permits	(10,700)	(2,580)	(1,637)	943			
Other Income	(7,630)	(6,615)	(9,880)	(3,265)			
Total Permits	(76,030)	(13,502)	(22,130)	(8,628)			
Total Car Parking	(733,290)	(351,726)	(347,767)	3,960			
Standard Charge Notices (Off Street)	(48,000)	(24,000)	(20,130)	3,870	0	0%	

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GENERAL FUND FINANCIAL MONITORING INFORMATION FOR THE PERIOD FROM 01 APRIL TO 30 SEPTEMBER 2019

Employee Costs	2019/20 Annual Budget £	2019/20 Profiled Budget £	2019/20 Actual £	2019/20 Variance £
General Fund				
Community Development	49,220	24,610	28,601	3,991
Corporate Management	1,457,520	728,760	712,884	(15,876)
Customer Services	688,440	344,220	312,921	(31,299)
Environmental Services	864,660	432,330	454,192	21,862
Finance And Performance	548,850	274,425	261,195	(13,230)
General Fund Housing	272,190	136,095	124,735	(11,360)
Grounds Maintenance	490,260	245,130	217,874	(27,256)
Human Resources	374,760	187,380	173,240	(14,140)
I.T. Services	548,920	274,460	271,300	(3,160)
Legal & Democratic Services	482,960	241,480	231,902	(9,578)
Planning And Regeneration	1,799,200	899,600	810,019	(89,581)
Property Services	628,270	314,135	301,926	(12,209)
Recreation And Sport	2,017,338	1,008,669	966,322	(42,347)
Revenues And Benefits	727,810	363,905	348,448	(15,457)
Waste Services	2,509,789	1,254,895	1,115,077	(139,818)
Total General Fund	13,460,187	6,730,094	6,330,637	(399,457)
Housing Revenue Account				
BHO09 Repairs And Maintenance	852,900	426,450	390,385	(36,065)
BHO10 Supervision & Management	1,508,730	754,365	691,713	(62,652)
BHO11 Special Services	0	0	0	0
Total Housing Revenue Account	2,361,630	1,180,815	1,082,098	(98,717)
Total Employee Costs	15,821,817	7,910,909	7,412,735	(498,174)

Agency Staff (within Employee costs)	2019/20 Annual Budget £	2019/20 Profiled Budget £	2019/20 Actual £	2019/20 Variance £
General Fund				
Car Parks	0	0	0	0
Community Development	0	0	0	0
Corporate Management	0	0	0	0
Customer Services	0	0	0	0
Environmental Services	0	0	0	0
Finance And Performance	0	0	0	0
General Fund Housing	0	0	0	0
Grounds Maintenance	25,000	12,500	28,896	16,396
Human Resources	0	0	9,962	9,962
I.T. Services	0	0	0	0
Legal & Democratic Services	0	0	0	0
Planning And Regeneration	0	0	0	0
Property Services	0	0	14,419	14,419
Recreation And Sport	0	0	0	0
Revenues And Benefits	0	0	3,788	3,788
Waste Services	121,641	60,821	178,299	117,478
Total General Fund	146,641	73,321	235,364	162,043
Housing Revenue Account				
BHO09 Repairs And Maintenance	0	0	0	0
BHO10 Supervision & Management	0	0	0	0
BHO11 Special Services	0	0	0	0
Total Housing Revenue Account	0	0	0	0
Total Agency Costs	146,641	73,321	235,364	162,043

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HOUSING REVENUE ACCOUNT FINANCIAL MONITORING INFORMATION FOR THE PERIOD FROM 01 APRIL TO
30 SEPTEMBER 2019

Planned Works extract				
Planned Works - Capital		2,285,000	0	0.0%
Planned Works - Revenue		1,325,500	(50,000)	-3.8%

Housing Revenue Account (HRA)	Notes	2019/2020 Annual Budget £	Forecast £	Variance %
Income				
SHO01 Dwelling Rents Income	A	(11,977,170)	0	0.0%
SHO04 Non Dwelling Rents Income	B	(564,870)	0	0.0%
SHO06 Tenant Charges For Services	C	0	0	0.0%
SHO07 Leaseholders' Service Charges	D	(21,640)	0	0.0%
SHO08 Contributions Towards Expenditure	E	(27,720)	0	0.0%
SHO09 Alarm Income - Non Tenants	F	0	0	0.0%
SHO10 H.R.A. Investment Income	G	(83,000)	(3,230)	3.9%
SHO11 Miscellaneous Income	H	(7,350)	0	0.0%
Services				
SHO13A Repairs & Maintenance	I	3,174,000	(163,000)	-5.1%
SHO17A Housing & Tenancy Services	J	1,732,360	(320,000)	-18.5%
Accounting entries 'below the line'				
SHO29 Bad Debt Provision Movement	L	53,000	0	0.0%
SHO30 Share Of Corporate And Democratic	M	199,100	0	0.0%
SHO32 H.R.A. Interest Payable	N	1,178,580		0.0%
SHO34 H.R.A. Transfers between earmarked reserves	O	1,713,350	0	0.0%
SHO36 H.R.A. Revenue Contribution to Capital	P	0	0	0.0%
SHO37 Capital Receipts Reserve Adjustment	Q	(26,000)	0	0.0%
SHO38 Major Repairs Allowance	R	2,285,000	0	0.0%
SHO45 Renewable Energy Transactions	S	(139,000)	0	0.0%
		(2,511,360)	(486,230)	-19.4%

Net recharge to HRA		1,534,110
Capital Charges		977,250
Net Housing Revenue Account Budget		0

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**HOUSING REVENUE ACCOUNT FINANCIAL MONITORING INFORMATION FOR THE PERIOD
FROM 01 APRIL TO 30 SEPTEMBER 2019**

Note	Description of Major Movements	Corrective Action	Forecast
			Variance £
G	Interest received on cash balances higher than anticipated	N/A	(3,230)
I	Planned Revenue works to underspend by £53k across various areas. Salary underspend is principally due to vacant posts, a number of staff on maternity leave and new staff starting on reduced spinal points (estimated circa £150k). Forecast reduced activity on DFG works of circa £40k		(163,000)
J	There is an underspend (£90k) due to a number of retirements and posts not being filled immediately. In addition, provision for two posts was made in the budget to ensure that there was capacity to mitigate the impact of welfare reform and legislative changes to tenure. These posts remain unfilled and a watching brief is being kept on performance and workloads. Additionally a budget for new projects is forecast to be underspent by £230k, this budget will then be refreshed in 20/21	N/A	(320,000)
		TOTAL	(486,230)

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Code	Scheme	Approved Capital Programme 2019/20	Total Slippage B/fwd & Adj to Approved Capital Programme 19/20	Budgeted Capital Programme 2019/20	Total Deliverable Programme 19/20	Actual Expenditure 2019/20	Committed Expenditure 2019/20	Total Actual & Committed Expenditure 2019/20	Variance to Deliverable Capital Programme	Forecast (Underspend)/ Overspend	Forecast Slippage to 20/21	Notes
		£	£	£	£	£	£	£	£	£	£	
General Fund Projects												
Exe Valley Leisure Centre												
CA633	Lords Meadow - Replace main pool filters	0	80,000	80,000	55,000	0	4,052	4,052	(50,948)			Project due to be completed by Q3 19/20
CA639	Spinning Room - New window - improve light	20,000	0	20,000	20,000	0	0	0	(20,000)			Project Complete Q2 19/20
CA640	Leisure Spinning Bike Replacement - all sites	60,000	0	60,000	60,000	60,000	0	60,000	0			Project Complete Q2 19/20
Culm Valley Leisure Centre												
CA641	Fitness Gym Kit Replacement	185,000	0	185,000	185,000	0	15,901	15,901	(169,099)			
MDDC Depot Sites												
CA829	Carlton Close - Air Conditioning units	25,000	0	25,000	20,000	308	0	308	(19,692)			Forecast project completion Q3 19/20
CA830	Carlton Close - Interceptor upgrade	30,000	0	30,000	30,000	371	1,430	1,801	(28,199)			Subject to EA - if required will be completed in Q3 19/20
CA831	Carlton Close - Solar PV options	20,000	0	20,000	20,000	308	600	908	(19,092)			Forecast project completion Q4 19/20
Play Areas												
CA472	Open Space Infrastructure (incl Play Areas)	0	50,000	50,000	50,000	0	1,360	1,360	(48,640)			Forecast project completion Q4 19/20
CA632	Play area refurbishment District wide - Amory Park Tiverton	0	50,000	50,000	50,000	0	0	0	(50,000)		50,000	Forecast project completion Q3 20/21
CA628	Play area refurbishment - West Exe Recreation Ground Tiverton	0	50,000	50,000	50,000	0	0	0	(50,000)			Forecast project completion Q4 19/20
Other Projects												
CA473	Land drainage flood defence schemes - St Marys Hemyock	0	25,000	25,000	25,000	0	0	0	(25,000)		25,000	Forecast project completion Q3 20/21
CA420	Land drainage flood defence schemes - Ashleigh Park Bampton	0	87,000	87,000	87,000	0	0	0	(87,000)		87,000	Forecast project completion Q3 20/21
CA574	Fore Street Flats refurbishment	0	47,000	47,000	47,000	150	2,463	2,613	(44,388)		45,000	
CA709	MSCP improvements (refer to Matrix condition report)	0	136,000	136,000	136,000	2,024	566	2,590	(133,410)			Phase 1 works will be complete by Q4 19/20
CA718	MSCP-Top Deck surfacing	70,000	50,000	120,000	70,000	0	0	0	(70,000)			Phase 1 works will be complete by Q4 19/20. Additional £50k approved at 22/08/19 Cabinet (minute 40)
CA476	Tiverton Cemetery - Infrastructure extension	80,000	0	80,000	80,000	0	0	0	(80,000)		40,000	Forecast project completion Q2 20/21
CA477	Land drainage flood defence schemes	25,000	0	25,000	25,000	0	0	0	(25,000)		25,000	Mary's Hemyock Project
CA202	Flexible Temporary Accommodation	75,000	0	75,000	75,000	0	0	0	(75,000)			
CA576	Tiverton Town Centre improvements	0	40,000	40,000	20,000	0	0	0	(20,000)			
CA579	Tiverton Town Centre - Street scene improvements	100,000	0	100,000	100,000	0	0	0	(100,000)			
CA832	Land acquisition for operational needs	600,000	0	600,000	0	0	0	0	0		600,000	This will be slipped into 2020/21
CA482	Contribution to South West Mutuals Bank	0	50,000	50,000	0	49,995	0	49,995	49,995			Per Cabinet report 07/03/19 to be funded by NNDR EMR
General Fund Development Schemes												
CA575	District Wide Redevelopment project - Asset acquisition	0	3,953,000	3,953,000	45,000	65,155	53,200	118,355	73,355	(3,700,000)		Detailed schemes identified as part of forthcoming MTFP
CA462	Rear of Town Hall Development site (Riverside) - 3 Rivers Loan	0	3,679,000	3,679,000	3,077,110	1,185,260	1,891,850	3,077,110	0		601,890	This Project will cross financial years and be completed in 21/22
	3 Rivers Loan - Threwstones	0	468,000	468,000	468,000	355,000	113,000	468,000	0			This project will complete in 19/20
	3 Rivers Loan - Orchard House	0	1,224,000	1,224,000	677,500	157,500	520,000	677,500	0		546,500	This Project will cross financial years and be completed in 20/21
CA580	Tiverton redevelopment project	1,200,000	0	1,200,000	1,200,000	3,576	0	3,576	(1,196,425)		900,000	It is anticipated that the majority of the spend on this project will occur in 20/21
CA581	Waddeton Park	2,000,000	0	2,000,000	0	0	0	0	0	(2,000,000)		This project is now detailed in its entirety in the MTFP that was presented to Cabinet on 17/10/19
CA719	Cullompton Town Centre Relief Road	0	650,000	650,000	0	0	0	0	0			
CA720	Tiverton EUE A361 Junction Phase 2	0	50,000	50,000	0	0	0	0	0			
	GP Practice NHS Hub Building Crediton	0	2,100,000	2,100,000	0	0	0	0	0			
Economic Development Schemes												
CA582	* Hydro Mills Electricity Project * All Economic Development schemes are subject to acceptable Business Case	680,000	0	680,000	0	0	0	0	0			
ICT Projects												
CA421	Desktop states replacement/refresh	0	6,000	6,000	6,000	6,594	0	6,594	594	600		Project complete
CA456	CRM replacement	0	175,000	175,000	175,000	0	0	0	(175,000)		175,000	It is anticipated that this project will slip into 20/21
CA474	Data centre hardware refresh servers/storage	0	120,000	120,000	100,000	97,854	0	97,854	(2,146)	(20,000)		Project complete
CA433	Unified Communications/telephony	0	107,000	107,000	32,000	32,554	0	32,554	554			Project to be delivered by Q4 19/20
CA464	Parking System Replacement (enforcement)	0	40,000	40,000	0	0	0	0	0	(40,000)		Project no longer required as coded to Revenue
CA465	Replacement Queue System	0	30,000	30,000	0	0	0	0	0			
CA423	Continued replacement of WAN/LAN	0	60,000	60,000	60,000	0	0	0	(60,000)	(60,000)		Project no longer required
CA425	Server farm expansion/upgrades	0	84,000	84,000	84,000	0	0	0	(84,000)			Project to be delivered by Q4 19/20
CA437	Digital Transformation	0	33,000	33,000	0	4	0	4	4			
CA478	UPS Power supplies refresh	25,000	0	25,000	20,000	19,925	0	19,925	(75)	(5,075)		Project complete
CA479	Continuous replacement/Upgrade of WAN/LAN (networking hardware switches)	100,000	0	100,000	0	0	0	0	0	(100,000)		Project no longer required. Core switches project will be flagged in MTFP that will be presented at 17/10/19 Cabinet
CA480	Lalpac Licensing System replacement (SN)	80,000	0	80,000	0	0	0	0	0			
CA481	Replacement Access Database - Property Services	100,000	0	100,000	0	0	0	0	0	(100,000)		This Project is timetabled for delivery in 21/22 & will be flagged as part of the forthcoming MTFP
Replacement Vehicles												
CA717	Van Tipper (Grounds Maintenance)	0	25,000	25,000	25,000	25,330	0	25,330	330	330		Project complete
CA715	Van Tipper (Grounds Maintenance)	0	25,000	25,000	25,000	25,330	0	25,330	330	330		Project complete
CA712	Iveco Tipper (or equivalent) 3.5T Tipper	0	28,000	28,000	28,000	27,830	0	27,830	(170)	(170)		Project complete
CA822	7.5T Tipper	0	45,000	45,000	45,000	44,773	0	44,773	(227)	(227)		Project complete
CA825	3.5T Tipper	0	28,000	28,000	28,000	27,830	0	27,830	(170)	(170)		Project complete
CA827	3.5T Tipper	0	28,000	28,000	28,000	27,830	0	27,830	(170)	(170)		Project complete
		5,475,000	13,623,000	19,098,000	7,328,610	2,215,503	2,604,422	4,819,924	(2,508,686)	(6,024,552)	3,095,390	

	Private Sector Housing Grants											
CG217	Empty homes and enforcement	108,000	0	108,000	30,000	0	0	0	(30,000)			
CG201	Disabled Facilities Grants-P/Sector	562,000	0	562,000	530,000	150,879	230,206	381,085	(148,915)			
CG208	Wessex					25,000		25,000	25,000			
		670,000	0	670,000	560,000	175,879	230,206	406,085	(153,915)	0	0	
	Affordable Housing Projects											
CA200	Grants to Housing Associations to provide units (funded by commuted sums)	117,000	0	117,000	17,000	8,720	0	8,720	(8,280)	(100,000)		This forecast underspend will remain in EMR
		117,000	0	117,000	17,000	8,720	-	8,720	(8,280)	(100,000)	0	
	Total General Fund Projects	6,262,000	13,623,000	19,885,000	7,905,610	2,400,102	2,834,628	5,234,730	(2,670,880)	(6,124,552)	3,095,390	
	HRA Projects - Existing Housing Stock											
CA100	Major repairs to Housing Stock	2,285,000	0	2,285,000	2,285,000	960,715	860,301	1,821,016	(463,984)			
CA111	Renewable Energy Fund	250,000	0	250,000	150,000	0	0	0	(150,000)	(100,000)		Currently recruiting to enable delivery for future, likely start date Oct '19 therefore will result in an underspend for 19/20
CG200	Home Adaptations - Disabled Facilities	300,000	0	300,000	300,000	129,524	0	129,524	(170,476)			
	Housing Development Schemes											
CA119	Palmerston Park - Additional budget required	0	634,000	634,000	634,000	1,161,425	58,888	1,220,313	586,313	586,313		Additional spend on this project will be in part offset by additional Homes England Grant of £441k
CA135	Land acquisition for affordable housing	0	2,100,000	2,100,000	0	0	0	0	0	(2,100,000)		Detailed schemes identified as part of forthcoming MTFP
CA124	Queensway (Beech Road) Tiverton (3 units)	0	287,000	287,000	0	0	0	0	0			Project tendered. Project financial feasibility being considered
CA126	Sewerage Treatment Works - Washfield	0	25,000	25,000	25,000	0	0	0	(25,000)			Forecast project completion Q4 19/20
CA139	Replace end of life HRA Assets	2,000,000	0	2,000,000	0	0	0	0	0	(2,000,000)		Detailed schemes identified as part of forthcoming MTFP
CA140	Council Housing building schemes to be identified	2,000,000	0	2,000,000	0	0	0	0	0	(2,000,000)		Detailed schemes identified as part of forthcoming MTFP
CA141	Round Hill Tiverton- Site	1,500,000	0	1,500,000	200,000	0	0	0	(200,000)		1,350,000	It is anticipated that the majority of the spend on this project will slip into 20/21
CA142	RTB Buyback - 6 Cherry Gardens	0	153,000	153,000	153,000	152,438	0	152,438	(562)			
CA143	RTB Buyback- 39 Cameron Close	0	129,000	129,000	129,000	128,940	0	128,940	(60)			
	Total HRA Projects	8,335,000	3,328,000	11,663,000	3,876,000	2,533,042	919,189	3,452,230	(423,770)	(5,613,687)	1,350,000	
	CAPITAL PROGRAMME GRAND TOTAL	14,597,000	16,951,000	31,548,000	11,781,610	4,933,144	3,753,817	8,686,961	(3,094,649)	(11,738,239)	4,445,390	

Housing Benefit Performance in 2018/19

Speed of Processing

The 2018/19 average time for processing new claims was 21 days and changes of circumstance (CoC) was 5 days. Both of these times are at or below national average of 21 days and 6 days respectively.

18/19	Q1	Q2	Q3	Q4	YEAR
NEW	20	23	20	21	21
CoC	5	7	6	3	5

Caseload

The numbers of Housing Benefit (HB) and Council Tax Reduction (CTR) claims have both fallen from the levels experienced in 2017/18. This is partially down to Tiverton Job Centre going to UC Full Service from July 2018 and Exeter Job Centre from September 2018.

18/19	Q1	Q2	Q3	Q4
HB	3,842	3,696	3,516	3,405
CTR	4,220	4,184	4,167	4,172

Total Housing Benefit paid to date

The table below shows the total sum of Housing Benefit paid during 2018/19.

18/19	Q1	Q2	Q3	Q4
£m	4.6	8.5	13.2	15.6

Note - The figures shown above are cumulative

Collection Rates - Comparison

Collection	CTAX	NDR
2017/18	98.00%	99.22%
2018/19	97.79%	99.29%
Difference	-0.21%	0.07%

National Position

In 2018-19 local authorities collected a total of £29.8 billion in council tax, irrespective of the year to which it related. This was an increase of £1.8 billion, or 6.5%, over 2017-18. By the end of March 2019, they had collected £29.3 billion of council tax that related to 2018-19 and achieved an average in-year collection rate of **97.0%**, a decrease of 0.1 percentage points over 2017-18. During 2018-19, local authorities collected £625 million in council tax arrears and wrote off £195 million of uncollectable council tax.

In 2018-19 authorities collected a total of £25.3 billion in **non-domestic rates**, irrespective of the year to which it related. This was an increase of £856 million, or 3.5% over the figure for 2017-18. By the end of March 2019, they had collected £25.7 billion in non-domestic rates that related to 2018-19 and achieved an average in-year collection rate of **98.3%** in 2018-19, a decrease of 0.1 percentage points over 2017-18. They also collected £645 million in non-domestic rates arrears and wrote off £213 million of uncollectable non-domestic rates in 2018-19.

**ENVIRONMENT PDG
26 NOVEMBER 2019**

DRAFT 2020/21 GENERAL FUND AND CAPITAL BUDGETS

Cabinet Member Cllr Alex White
Responsible Officer Andrew Jarrett, Deputy Chief Executive (S151)

Reason for the report: To consider the initial draft 2020/21 Budget and options available in order for the Council to set a balanced budget and agree a future strategy for further budget reductions for 2021/22 onwards.

RECOMMENDATION: To consider the draft budget proposals for 2020/21 and start to plan for additional savings as identified in the Medium Term Financial Plan.

Relationship to the Corporate Plan: To deliver our Corporate Plan's priorities within existing financial resources.

Financial Implications: The current budget for the General Fund shows a deficit of £346k. In addition we have predicted a funding deficit of £1.376m on our General Fund by 2023/24. This highlights the need to take steps to plan for further reductions to our ongoing expenditure levels.

Legal Implications: None directly arising from this report, although there is a legal obligation to balance the budget. There are legal implications arising from any future consequential decisions to change service provision, but these would be assessed at the time.

Risk Assessment: In order to comply with the requirement to set a balanced budget, management must ensure that the proposed savings are robust and achievable. We must also ensure that the assumptions we have used are realistic and prudent. Failure to set a robust deliverable budget puts the Council at risk of not being able to meet its commitments and casts doubt on its "going concern" and VFM status.

Equality Impact Assessment: There are no Equalities Impact implications relating to the content of this report.

Climate Change Assessment: The allocation of resources will impact upon the Council's ability to implement/fund new activities linked to climate change, as the MTFP sets the broad budgetary framework for the Council over the coming years.

1.0 Introduction

1.1 As 2019/20 was the fourth and final year of a four year fixed funding settlement, we awaited with some trepidation the outcome of the Fair Funding Review and Business Rates reset, which was due to be published in September of this year. Due to the pressures of Brexit, the Government has been unable to complete this piece of work and have instead, regrettably, confirmed that they will issue a

one-year settlement. This has therefore resulted in the Fair Funding Review etc. being postponed for a year.

1.2 This has had an inevitable impact on our ability to forecast for future years. We expect the Review to alter our funding but we have little indication of what this might involve. The areas we are particularly concerned with are:

- Business Rates baseline reset – how much of our growth are we likely to lose?
- When will we move to 100% Business Rates growth retention? In the Budget 2016, this was to be in place “before the end of Parliament”.
- What will 100% Retention mean in terms of losing other funding streams such as RSDG and what additional responsibilities will we have?
- New Homes Bonus – the mechanics of this will change and we may lose additional years’ (we lost 2 years payments in 2018/19). We expect more of the Bonus to be redirected to the Better Care Fund to help Upper Tier authorities cope with the pressures of Social Care.
- Will we lose funding in relation to our rurality (RSDG)?
- Will we be tasked with administering additional reliefs/services?

1.2 It is worth reflecting that our budgets are affected in a number of ways:

- a) The funding received from Central Government.
- b) Devon County Council (DCC) and other public bodies’ budgets are being reduced centrally and hence this pressure is passed on to us in areas we work collaboratively.
- c) The increasing pressure on social care budgets has a “knock-on” effect to the level of funding that is available to lower-tier authorities.
- d) Government departments such as Ministry of Housing, Communities and Local Government, Department of Work and Pensions also have lower budgets and reduced grants.
- e) Changes in customer demand/expectations in the context of the local/national economy.

1.3 Although the priority is to balance next year’s budget, strategic decisions will need to be made to accommodate reduced or changes to funding going forward.

1.4 Based on nine years of public sector austerity many services can no longer continue to reduce cost and still be expected to deliver “business as usual”. It is important to remember that some services are statutory and in some cases must breakeven, i.e. we cannot generate a profit. This restricts where savings/cuts can be imposed and section 8 below provides more details.

1.5 The proposed savings embodied in the draft budget will need to be agreed by Members, as every proposed saving that is rejected will need to be matched by a suggestion of where a similar saving could be made. Members will be aware that the budget is an evolving process. We have already made a range of assumptions relating to: pay awards, inflation, fees/charges, demand for services, property increases, etc. More information may well change/alter our assumptions in the months leading up to February, when the budget has to be finalised. So the current budget gap of £346k will be revised over the next few

months, but it is based on the most current information, in conjunction with professional guidance, that is available.

- 1.6 The Council continues to look at opportunities to reduce operational costs without immediately reducing service levels. However it remains a real possibility moving forward that some difficult decisions will have to be made relating to what the Council can and can't afford to deliver/support in the future.

2.0 The Draft 2020/21 Budget

- 2.1 The initial aggregation of all service budgets (which also includes assumptions surrounding predictions of interest receipts, contributions to our capital programme, transfers from/to reserves and Council Tax levels) currently indicates a General Fund budget gap of £346k (Appendix 1).

- 2.2 At this point it is worth summarising how we have arrived at this deficit. The table shown below shows the main budget variances affecting the 2020/21 draft budget.

Table 1 – Reconciliation of Major 2020/21 Budget Variances

Variances	Amount £k
<i>External items outside of our control</i>	
Estimated reduced formula grant settlement	126
Inflationary increases (excl HRA shown below)	43
Decrease in Housing Benefit Grant and CTRS Admin Grant	20
Pay award and pension increases	262
Pension lump sum increase	8
<i>Subtotal</i>	459
<i>Other changes</i>	
Reversal of 19/20 one-off pressures and EMR use	226
Transfer to EMR – Vehicle contract fund	150
Vehicle contract – funding from EMR	(549)
Fleet Contract pressure – funded from EMR	122
Increase in Leisure charges (inflationary)	(84)
Minimum Revenue Provision increase	477
Net recharge to HRA (after inflationary increases etc.)	(48)
Reduction in Planning income	150
Increase in New Homes Bonus	(102)
Increase in New Homes Bonus transferred to EMR	102
Increase in Business Rates income	(477)
Increase in Council Tax income – (assuming £5 Band D)	(112)
Interest payments increase	296
Additional interest income	(182)
Car Park income increase	(190)
Crediton masterplan - funded from EMR	62
Crediton masterplan – draw from EMR	(62)
Boundary commission one-off cost	15
Standby contract increase in relation to homelessness	10
Maintenance costs re IT and software	19
Leisure – essential maintenance – funded from EMR	347
Leisure – transfer from EMR	(347)

Property – essential maint (various areas) – funded from EMRs	210
Property – transfer from EMR	(210)
Leisure salaries - reduction in post and flat time budget	(95)
Reduction on housing benefit overpayment recovery	50
Salaries movements	42
Computer software AIM and ACR upgrade - finance	20
Increase in bad debt provision - homelessness	10
Asset management - external contractors	10
Shop rents - Fore Street - reduction in income	10
Service charge vacant units - Market Walk	20
Other minor adjustments - net	-3
Draft budget gap for 2020/21	346

2.3 In compiling the 2020/21 draft budget we have also examined budget performance during 2019/20 and then made any relevant budget corrections for staffing changes, levels of income, changes in legislation, increases in inflation, etc.

2.4 Due to the need to get budget information to all of the PDG and Cabinet meetings during October and November there are still a few key issues that have not been resolved or are still to be fully evaluated. These issues may either improve or worsen the summary budget position currently reported and can be summarised as follows.

- Performance of the Devon Business Rates Pool
- Ongoing impact of new Homelessness legislation from 01/04/18
- Ongoing impact of full rollout of Universal Credit from 01/04/18
- Autumn Statement announcement in November 2019
- Provisional Finance Settlement in December
- Ongoing service reviews (including changes to fees/charges)

3.0 The Past

3.1 Just to remind Members of the financial journey the Council has been on since the austerity programme in 2010/11, here is a list of some of the challenges that have been presented to MDDC in balancing budgets during recent years.

- Net loss of £4.2m in Formula Grant
- Loss of funding for Housing Benefit admin and Regional Housing Pot removed circa £0.6m
- Council Tax freezes accepted for a number of years
- Costs associated with Local Plan
- Tax and pension related pressures including:
 - Pay award
 - Increased pension back-funding costs
 - Government mandated auto-enrolment to the Pension Scheme
 - National Insurance change
- Apprentice Levy of £50k introduced (currently c£58k)

3.1 The following lists just some of the actions taken by MDDC to mitigate these funding reductions.

- Significant efficiency agenda has led to service reductions amounting to over £2m
- Increased income has been generated by a number of services
 - Waste shared savings agreement with DCC
 - Garden Waste Scheme
 - Improved recycling scheme
- Increased commercialisation
 - £200k profit from Market Walk and Fore Street properties
- Business Rates Devon Pool participation
- Profit from the Special Purpose Vehicle returned to the General Fund, along with a margin on interest received
- Increasing CCLA holding to £5m
- Colocation with Department for Work & Pensions (DWP)
- Revised Car Parking Strategy in 2016/17
- Rationalising MDDC property estate, including depots, parks, toilets and car parks
- Joint working with North Devon DC as part of the Building Control Partnership
- DCC Transfer Station located at Carlu Close

4.0 The Future

4.1 A lot of work has already been undertaken in order to deliver a draft budget gap of £346k. We now are set with two tasks: firstly, to deliver a balanced General Fund budget by February 2020 in order to formally set the Council Tax and secondly, and of equal importance, begin to plan how our future spending plans can be financed. The work with town and parish councils will continue.

5.0 Capital Programme

5.1 In addition to this revenue funding pressure, is our ongoing commitment to future capital programmes, not helped by the current low levels of capital receipts. Even greater pressure may be placed on future programmes if additional borrowing was made to fund new Council Houses, Depots, Sport Centre enhancements, Town Centre enhancement works, vehicle replacements, etc.

5.2 The draft Capital Programme for 2020/21 is attached at Appendix 3. Excluding the new commitments to fund town centre regeneration or further commercial/land acquisitions, the size of our current and future capital programmes remains very small, due to the reductions in funding and level of sale receipts and now only includes material projects that are essential maintenance, or asset replacement or income generating/cost reducing.

6.0 The Autumn PDGs and Cabinet meetings

6.1 The first round of draft budget meetings will allow discussions with Members, Senior Management, Group Managers and Finance Officers in order to review the proposed draft 2020/21 budget. This will include scrutinising and challenging the initial position (and confirming acceptance of all proposed savings put forward) and discussing any other budget areas that Members would like to see additional savings from.

6.2 Before the next round of PDGs and Cabinet in January the Council will receive formal confirmation regarding its; Formula Grant other emerging legislative changes, more information regarding the 2019/20 budget performance etc. At this point if any of the initial assumptions/estimates significantly worsen, then we will need to bring further savings options forward for consideration.

7.0 Public Consultation

7.1 Earlier years' consultations have consistently highlighted the three most valued services:

- REFUSE COLLECTION & RECYCLING - First
- PARKS, OPEN SPACES & PLAY AREAS - Second
- ENVIRONMENTAL HEALTH - Third

The three services valued the lowest comprised:

- COMMUNITY GRANTS - First
- PUBLIC CONVENIENCES - Equal second
- COMMUNITY SAFETY - Equal second

7.2 Working together with the Communications team the Group Manager for Financial Services is preparing a budget consultation survey which is due out this winter. The survey will provide valuable feedback to inform our future spending plans and ensure that we continue to provide services that are value for money to residents.

7.3 The survey will be circulated to all parish clerks, publicised in the local media and featured on our corporate website. It will also be published on social media. It is anticipated the survey will be open for a period of 6 weeks and once the results are analysed will form part of our budget setting process.

8.0 Statutory, Discretionary Services and the Level of Service Provision

8.1 Whilst the Council has a legal obligation to perform some activities, others are at the discretion of the elected members, subject to funding. Although some undertakings are clearly statutory and others clearly discretionary, there are some service areas that have elements of both.

8.2 The main *discretionary* services of the Council comprise:

- Business development (although a corporate priority)
- Community development (includes community group grants)
- Leisure facilities
- Parks and open spaces (identified as important to the public at 6.1)
- Shops and industrial units

What can we do to balance the budget?

8.3 An activity's net cost could be changed by one or more of these factors:

- a) Changing the frequency of service provision
- b) Changing the quality, instead of a “Platinum service” we may be forced to offer a “Silver service”
- c) Increasing fees or start charging for a service
- d) Reducing the overheads
- e) Stopping the activity entirely
- f) Different models of service delivery (including partnership)

8.4 Over the last five or six years the Authority has concentrated its efforts in maintaining frontline service levels across all sectors by reducing overheads and raising income. It is now clear that following those budgetary cuts some service areas are struggling to deliver their service plans, within their existing budgets. Indeed in a few cases external reviews have necessitated increasing the resources in a particular service area to meet our legal obligations.

What options are available if something is *statutory*?

8.5 Although we cannot stop the function, we may be able to approach it differently in terms of frequency or quality.

8.6 Some of our income streams are influenced by external market forces and in setting prices we have to be mindful of the going market rate. Aside from Council tax, the main income streams are:

- Building control fees
- Burial fees
- Car park charges
- Industrial unit rent
- Leisure centre fees
- Licence fees
- Market tolls
- Shop rents
- Planning fees
- Trade waste fees
- Garden waste

8.7 Any multi million pound business employing staff and utilising assets needs teams to support them and our frontline services are no different.

8.8 The key components, some statutory, others essential, include:

- Audit
- Accountancy
- Customer First
- Procurement (Buying goods and services)
- Human resources (Includes health and safety)
- IT
- Legal services
- Property services

8.9 For example our waste service has to have vehicles and depots to operate from, both of which need to be maintained. The staff need to be managed, to be paid, and legislation provides for health and safety considerations. Depots

and buildings such as Phoenix House are fixed costs, although even here we have created savings by renting out some space. The “back office” activities are therefore intrinsically linked to the “frontline” and savings from both areas have continued to be made.

9.0 Conclusion

- 9.1 The feedback from all of the PDGs and Scrutiny will be reported to the January Cabinet for consideration in order to set a balanced 2020/21 budget and agree a forward plan. Group Managers will be working with Leadership Team and elected members in order to determine ways in which savings of c£1.4m can be achieved over the next four years, based on the priorities identified in the Corporate Plan. Having identified possible savings, there will need to be careful consideration of their potential impact, probable lead times for delivery of that saving and any associated disengagement costs or possible ‘spend to save’ implications that would arise.

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Circulation of the Report: Leadership Team
Elected Members
Group Managers

GENERAL FUND REVENUE ACCOUNT DRAFT BUDGET SUMMARY 2020/21

	2019/2020 Proposed Budget	Movement	2020/2021 Proposed Budget
Notes	£	£	£
Cabinet	4,864,030	74,200	4,938,230
Community	3,526,058	(82,253)	3,443,805
Economy	(466,080)	(76,010)	(542,090)
Environment	2,735,050	222,740	2,957,790
Homes	1,169,080	36,940	1,206,020
TOTAL NET DIRECT COST OF SERVICES	11,828,138	175,617	12,003,755
Net recharge to HRA	(1,571,110)	(10,760)	(1,581,870)
Provision for the financing of capital spending	333,280	476,481	809,761
NET COST OF SERVICES	10,590,308	641,338	11,231,646
PWLB Bank Loan Interest Payable			
Finance Lease Interest Payable	44,420	-	44,420
Interest from Funding provided for HRA	(49,000)	-	(49,000)
Interest Receivable / Payable on Other Activities	167,580	295,604	463,184
Interest Received on Investments	(442,540)	(181,600)	(624,140)
Transfers into Earmarked Reserves	2,267,363	252,397	2,519,760
Transfers from Earmarked Reserves	(2,146,050)	514,000	(1,632,050)
Proposed Contribution from New Homes Bonus Reserve	(253,350)	253,350	-
TOTAL BUDGETED EXPENDITURE	10,178,731	1,775,089	11,953,820
Funded by: -			
Revenue Support Grant	-	-	-
Rural Services Delivery Grant	(466,695)	92,180	(374,515)
New Homes Bonus	(1,243,503)	(102,397)	(1,345,900)
BR Levy Re-distribution	(33,408)	33,408	-
Retained Business Rates	(3,213,597)	19,817	(3,193,780)
Business Rates Deficit	778,906	(1,178,906)	(400,000)
Business Rates Pooling Dividend	(100,000)	(50,000)	(150,000)
CTS Funding Parishes	-	-	-
Collection Fund Surplus	(71,330)	-	(71,330)
Council Tax (28,596.50 x £203.84)	(5,829,104)	(243,377)	(6,072,481)
TOTAL FUNDING	(10,178,731)	(1,429,275)	(11,608,006)
REQUIREMENT TO BALANCE THE BUDGET	-	345,814	345,814

Current Assumptions: -

1. Council Tax has been increased by £5 (the higher of £5 or 2%) from £203.84 to £208.84 with an increased property growth of 286.
2. 2020/21 Salary budgets include an assumed increase of 2% across all spinal scale points.
3. All earmarked reserves have been reviewed and adjustment made based upon existing need.
4. All income flows have been reviewed and adjusted for changes in demand and unit price.
5. Investment income has been based upon the existing lending criteria now in force.
6. Support services have been calculated in accordance with the annual process.
7. Car parking fees are based upon 2017/18 fees and vends.
8. New Homes Bonus receipts based on existing legislation changes.
9. BR Retained - The movement between the two years reflects 100% retention to 50% retention of growth
10. BR Deficit - 18/19 Significant increase in appeals provision resulted in a 19/20 Deficit. 19/20s growth although not reflected in year, results in a surplus in 20/21.

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**2020-21 BUDGETS
TRANSFERS INTO EARMARKED RESERVES**

APPENDIX 2

SERVICE	EARMARKED RESERVE		MAINT 20/21 BUDGET	PLANT 20/21 BUDGET	EQUIPMENT 20/21 BUDGET	VEHICLES 20/21 BUDGET	OTHER 20/21	NEW HOMES BONUS	
CP540	EQ686	PAYING CAR PARKS (MACHINE REPLACEMENT SINKING FUND)			3,000				
EQ754	EQ754	PHOENIX PRINTERS EQUIP SFUND			2,200				
ES100	EQ766	CEMETERIES	25,000						
ES450	EQ767	PARKS & OPEN SPACES	25,000						
GM960	EQ760	GROUNDS MAINTENANCE - PLANT		14,360					
LD201	EQ720	ELECTION COSTS - DISTRICT					20,000		
LD300	EQ721	DEMOCRATIC REP & MANAGEMENT					5,000		
PR810	EQ728	STATUTORY DEVELOPMENT PLAN					100,000		
PS880	EQ765	BUS STATION	5,000						
PS990	EQ685	FORE STREET MAINT S.FUND	5,000						
PS992	EQ685	MARKET WALK MAINT S.FUND	20,000						
RS140	EQ837	LEISURE SINKING FUND			75,000				
WS725	EQ761	KERBSIDE RECYCLING		20,000					
WS725	EQ763	RECYCLING MAINT SINKING FUND (DEPOT FLOOR)	2,700						
WS650	EQ839	WASTE PRESSURE WASHER			2,500				
IT500	EQ755	ICT EQUIPMENT SINKING FUND			189,500				
IE435	EQ653	NEW HOMES BONUS GRANT						1,345,900	
VARIOUS	EQ837	PROPERTY MAINTENANCE	100,000						
VARIOUS	EQ756	FLEET CONTRACT FUND				559,600			
TOTAL			182,700	34,360	272,200	559,600	125,000	1,345,900	2,519,760
2019/20			182,700	34,360	272,200	409,600	125,000	1,243,500	2,267,360
MOVEMENT			-	-	-	150,000	-	102,400	252,400

TRANSFERS FROM EARMARKED RESERVES

SERVICE	RESERVE		UTILISE NHB	OTHER	
EQ638	EQ638	DEV CONT LINEAR PARK		(4,170)	
EQ640	EQ640	W52 POPHAM CLOSE COMM FUND		(1,950)	
EQ641	EQ641	W67 MOORHAYES COM DEV FUND		(1,630)	
EQ642	EQ642	W69 FAYRECROFT WILLAND EX WEST		(4,620)	
EQ643	EQ643	W70 DEVELOPERS CONTRIBUTION		(6,650)	
EQ644	EQ644	DEV CONT WINSWOOD CREDITON		(3,080)	
ES733	EQ652	PUBLIC HEALTH		(52,090)	
PR225	EQ824	GARDEN VILLAGE PROJECT (PR225)		(55,360)	
PR400	EQ653	BUSINESS DEVELOPMENT	(45,000)		
PR400	EQ653	BUSINESS DEVELOPMENT	(100,000)		
IT400	EQ653	ICT EQUIPMENT SINKING FUND	(189,500)		
PR810	EQ728	STATUTORY DEVELOPMENT PLAN (PR810)		(61,890)	
VARIOUS	EQ756	VEHICLE LEASE		(549,110)	
RS100	EQ837	PROPERTY MAINTENANCE		(347,000)	
PS992/PS995	EQ838	GENERAL FUND SHOPS		(100,000)	
VARIOUS	EQ653	NHB TO FUND ADDITIONAL PROJECTS FLAGGED IN CAPITAL - DEEMED REVENUE IN NATURE	(110,000)		
TOTAL			(444,500)	(1,187,550)	(1,632,050)

2019/20

(587,850) (1,811,550) (2,399,400)

MOVEMENT

143,350 624,000 767,350

Estates Management

Leisure - all sites

Reception infrastructure review - all sites	120
All Leisure Etarmis - Security Wipe - (linked to security project).	30
Total Leisure	150

Other MDDC Buildings

Pannier Market

Paving - Permanent Solution	150
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Phoenix House

Etarmis - Security Wipe - (linked to security project).	50
Boiler replacement & controls	90

General Car parks

MSCP Capital Project - Phase 2	589
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MDDC Depot sites

Carlu Close - Water containment for Waste Transfer Station	80
Land acquisition for operational needs	400

MDDC Shops/Industrial Units

Market Walk - Flat roof replacement	30
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Public Conveniences

West Exe South - Remodelling - additional parking spaces	90
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Other Projects

Fire dampeners - Corporate sites	40
Total Other	1,519

HIF Schemes

Cullompton Town Centre Relief Road (HIF) bid	3,705
Tiverton EUE A361 Junction Phase 2 (HIF (bid)	250
Total HIF Schemes	3,955

Affordable Housing Projects

Grants to housing associations to provide houses (covered by Commuted Sums)	17
Total Afford Housing	17

Private Sector Housing Grants

Disabled Facilities Grants-P/Sector	572
Wessex Reinvestment Trust Grants Scheme	75
Total PSH Grants	647

TOTAL GF PROJECTS	6,288
	0

Other General Fund Development Projects

Other projected 3 Rivers Borrowing	13,757
3 Rivers scheme - Orchard House, Halberton	67
3 Rivers Scheme - Riverside Development (rear of Town Hall) Tiverton	1,442
Waddeton Park, Post Hill, Tiverton	4,615
TOTAL GF OTHER DEVELOPMENT PROJECTS	19,881

GRAND TOTAL GF PROJECTS	26,169
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HRA Projects

Existing Housing Stock

Major repairs to Housing Stock	2,260
Renewable Energy Fund	150
Home Adaptations - Disabled Facilities	300

*** Housing Development Schemes**

HRA regeneration scheme 1	2,000
Affordable Housing/ Purchase of ex RTB	500
* Proposed Council House Building / Other schemes subject to full appraisal	
Depot rationalisation	1,000

Total HRA Projects	6,210
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HRA ICT Projects

Mobile working Hardware	25
Total HRA ICT Projects	25

GRAND TOTAL HRA PROJECTS	6,235
	0

GRAND TOTAL GF + HRA Projects	32,404
	0

MDDC Funding Summary

General Fund

	2020/21 £k
EXISTING FUNDS	
Capital Grants Unapplied Reserve	664
Capital Receipts Reserve	70
NHB Funding	1,157
Other Earmarked Reserves	42
HIF Funding	2,401
Subtotal	4,334
NEW FUNDS	
PWLB Borrowing	21,835
Subtotal	21,835
Total General Fund Funding	26,169

Housing Revenue Account

	2020/21 £k
EXISTING FUNDS	
Capital Receipts Reserve	1,861
NHB Funding	21
HRA Housing Maintenance Fund	1,846
Other Housing Earmarked Reserves	2,482
Subtotal	6,210
NEW FUNDS	
Revenue Contributions	25
Subtotal	25
Total Housing Revenue Account Funding	6,235

TOTAL FUNDING	32,404
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PDG SERVICE UNIT MOVEMENTS

APPENDIX 4

GENERAL FUND SUMMARY		Budget Net Direct Cost	Current Budgeted Net Direct Cost	Movement	+/- %
		2019/20	2020/21		
Cabinet					
SCM01	Leadership Team	485,280	487,810	2,530	0.5%
SCM02	Corporate Functions	83,810	85,530	1,720	2.1%
SCM03	Corporate Fees/Charges	217,990	226,720	8,730	4.0%
SCM06	Pension Backfunding	909,440	919,310	9,870	1.1%
SFP01	Accountancy Services	411,470	432,050	20,580	5.0%
SFP02	Internal Audit	92,100	92,100	0	0.0%
SFP03	Procurement	111,400	119,850	8,450	7.6%
SFP04	Purchase Ledger	46,990	46,650	(340)	-0.7%
SFP05	Sales Ledger	45,360	45,540	180	0.4%
SHR01	Human Resources	329,580	349,070	19,490	5.9%
SHR02	Mddc Staff Training	33,040	33,750	710	2.1%
SHR03	Payroll	56,300	48,550	(7,750)	-13.8%
SHR04	Learning And Development	46,170	52,580	6,410	13.9%
SIT01	It Gazetteer Management	70,580	72,040	1,460	2.1%
SIT03	It Information Technology	902,030	888,870	(13,160)	-1.5%
SLD01	Electoral Registration	197,020	202,250	5,230	2.7%
SLD02	Democratic Rep And Management	477,680	482,470	4,790	1.0%
SLD04	Legal Services	347,790	353,090	5,300	1.5%
		4,864,030	4,938,230	74,200	1.5%
Community PDG					
SCD01	Community Development	87,500	77,650	(9,850)	-11.3%
SCS20	Customer Services Admin	110,360	77,680	(32,680)	-29.6%
SCS22	Customer First	660,150	702,265	42,115	6.4%
SES01	Emergency Planning	8,280	7,500	(780)	-9.4%
SES04	Public Health	4,090	3,990	(100)	-2.4%
SES11	Pool Cara	-	2,830	2,830	N/A
SES16	Es Staff Units/Recharges	760,700	782,280	21,580	2.8%
SES17	Community Safety	6,350	6,220	(130)	-2.0%
SES18	Food Safety	(21,140)	(21,070)	70	-0.3%
SES21	Licensing	(3,250)	12,920	16,170	-497.5%
SES22	Pest Control	5,000	5,000	0	0.0%
SES23	Pollution Reduction	(720)	(650)	70	-9.7%
SPR01	Building Regulations	3,400	(8,720)	(12,120)	-356.5%
SPR02	Enforcement	105,820	108,900	3,080	2.9%
SPR03	Development Control	330,710	346,300	15,590	4.7%
SPR04	Local Land Charges	(20,530)	(20,040)	490	-2.4%
SPR09	Forward Planning	252,520	237,940	(14,580)	-5.8%
SPR11	Regional Planning	116,000	99,390	(16,610)	-14.3%
SRB01	Collection Of Council Tax	294,730	314,070	19,340	6.6%
SRB02	Collection Of Business Rates	(102,250)	(103,370)	(1,120)	1.1%
SRB03	Housing Benefit Admin & Fraud	177,740	199,680	21,940	12.3%
SRB04	Housing Benefit Subsidy	(45,000)	5,000	50,000	-111.1%
SRB06	Debt Recovery	105,180	106,620	1,440	1.4%
SRS01	Recreation And Sport	690,418	501,420	(188,998)	-27.4%
		3,526,058	3,443,805	(82,253)	-2.3%
Economy PDG					
SCD02	Economic Development - Markets	50,180	39,820	(10,360)	-20.6%
SCP01	Parking Services	(531,710)	(690,290)	(158,580)	29.8%
SES03	Community Safety - C.C.T.V.	2,310	6,010	3,700	160.2%
SPR06	Economic Development	444,000	433,500	(10,500)	-2.4%
SPS12	GF Properties Shops / Flats	(430,860)	(331,130)	99,730	-23.1%
		(466,080)	(542,090)	(76,010)	16.3%

GENERAL FUND SUMMARY		Budget Net Direct Cost	Current Budgeted Net Direct Cost	Movement	+/- %
		2019/20	2020/21		
	Environment PDG				
SES02	Cemeteries	(86,540)	(85,670)	870	-1.0%
SES05	Open Spaces	91,800	128,930	37,130	40.4%
SGM01	Grounds Maintenance	633,740	619,760	(13,980)	-2.2%
SPS01	Asset Management	30,000	40,000	10,000	33.3%
SPS03	Flood Defence And Land Drain	26,430	26,430	0	0.0%
SPS04	Street Naming & Numbering	7,560	7,730	170	2.2%
SPS07	Public Transport	(13,220)	(13,190)	30	-0.2%
SPS11	Public Conveniences	61,800	60,710	(1,090)	-1.8%
SWS01	Street Cleansing	483,130	502,010	18,880	3.9%
SWS02	Waste Collection	369,210	425,780	56,570	15.3%
SWS03	Recycling	824,550	863,020	38,470	4.7%
SWS04	Waste Management	306,590	382,280	75,690	24.7%
		2,735,050	2,957,790	222,740	8.1%
	Homes PDG				
SES15	Private Sector Housing Grants	(6,070)	(7,640)	(1,570)	25.9%
SHG03	Homelessness Accommodation	212,630	242,710	30,080	14.1%
SPS05	Administration Buildings	257,790	238,200	(19,590)	-7.6%
SPS06	Mddc Depots	38,040	38,190	150	0.4%
SPS08	Office Building Cleaning	65,980	61,980	(4,000)	-6.1%
SPS09	Property Services Staff Unit	600,710	632,580	31,870	5.3%
		1,169,080	1,206,020	36,940	3.2%
	GRAND TOTAL	11,828,138	12,003,755	175,617	1.48%

Summary of PDG

Service Unit	2018/19 Actual	2019/20 Budget	2020/21 Budget	Movement
SCM01 Leadership Team	504,097	485,280	487,810	2,530
SCM02 Corporate Functions	76,796	83,810	85,530	1,720
SCM03 Corporate Fees	239,282	217,990	226,720	8,730
SCM06 Pension Backfunding	1,340,967	909,440	919,310	9,870
SFP01 Accountancy Services	404,278	411,470	432,050	20,580
SFP02 Internal Audit	87,247	92,100	92,100	0
SFP03 Procurement	83,822	111,400	119,850	8,450
SFP04 Purchase Ledger	50,547	46,990	46,650	-340
SFP05 Sales Ledger	43,748	45,360	45,540	180
SHR01 Human Resources	318,453	329,580	349,070	19,490
SHR02 Mddc Staff Training	27,632	33,040	33,750	710
SHR03 Payroll	58,881	56,300	48,550	-7,750
SHR04 Learning And Development	49,685	46,170	52,580	6,410
SIT01 It Gazetteer Management	70,315	70,580	72,040	1,460
SIT03 It Information Technology	881,091	902,030	888,870	-13,160
SLD01 Electoral Registration	136,504	197,020	202,250	5,230
SLD02 Democratic Rep And Management	467,504	477,680	482,470	4,790
SLD04 Legal Services	280,518	347,790	353,090	5,300
	5,121,367	4,864,030	4,938,230	74,200

CABINET PDG 2020/21 Service Unit Budgets

SCM01 Leadership Team

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	492,628	483,260	485,790	2,530
3000	Transport	2,453	3,010	3,010	0
4000	Cost Of Goods And Services	16,030	6,010	6,010	0
7000	Income	(7,015)	(7,000)	(7,000)	0
	Sum:	504,097	485,280	487,810	2,530

Cost Centre	Cost Centre Name	2020/21 Budget
CM100	Leadership Team	487,810
	Sum:	487,810

Major cost increases

No movement to report

Major cost decreases and changes in income

No movement to report

SCM02 Corporate Functions

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	83,883	83,210	84,830	1,620
3000	Transport	258	100	200	100
4000	Cost Of Goods And Services	757	500	500	0
7000	Income	(8,103)	0	0	0
	Sum:	76,796	83,810	85,530	1,720

Cost Centre	Cost Centre Name	2020/21 Budget
CM210	Performance, Governance & Data	85,530
CM220	Brexit	0
	Sum:	85,530

Major cost increases

No movement to report

Major cost decreases and changes in income

No movement to report

SCM03 Corporate Fees

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	45,493	69,200	56,820	(12,380)
4000	Cost Of Goods And Services	173,386	148,790	169,900	21,110
7000	Income	20,403	0	0	0
	Sum:	239,282	217,990	226,720	8,730

Cost Centre	Cost Centre Name	2020/21 Budget
CM300	Corporate Fees	218,030
CM340	Unison	8,690
	Sum:	226,720

Major cost increases

Primarily relates to an increase in the external audit fees

Major cost decreases and changes in income

Apportionment of Apprenticeship Levy across the Council

SCM06 Pension Backfunding

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	1,339,912	908,040	917,910	9,870
4000	Cost Of Goods And Services	1,055	1,400	1,400	0
	Sum:	1,340,967	909,440	919,310	9,870

Cost Centre	Cost Centre Name	2020/21 Budget
CM600	Pension Backfunding	919,310
	Sum:	919,310

Major cost increases

No movement to report

Major cost decreases and changes in income

No movement to report

SFP01 Accountancy Services

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	363,671	363,590	364,240	650
3000	Transport	798	800	700	(100)
4000	Cost Of Goods And Services	40,313	47,080	67,710	20,630
7000	Income	(505)	0	(600)	(600)
	Sum:	404,278	411,470	432,050	20,580

Cost Centre	Cost Centre Name	2020/21 Budget
FP100	Accountancy Services	432,050
	Sum:	432,050

Major cost increases

Increase in software budget (£20k) for the upgrade of AIM (access income management system) is **fully funded** from the ICT replacement sinking fund.

Major cost decreases and changes in income

No movement to report

SFP02 Internal Audit

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
4000	Cost Of Goods And Services	87,247	92,100	92,100	0
	Sum:	87,247	92,100	92,100	0

Cost Centre	Cost Centre Name	2020/21 Budget
FP200	Internal Audit	92,100
	Sum:	92,100

Major cost increases

No movement to report.

Major cost decreases and changes in income

No movement to report.

SFP03 Procurement

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	83,014	106,510	114,960	8,450
3000	Transport	639	400	400	0
4000	Cost Of Goods And Services	5,029	4,490	4,490	0
7000	Income	(4,859)	0	0	0
	Sum:	83,822	111,400	119,850	8,450

Cost Centre	Cost Centre Name	2020/21 Budget
FP300	Procurement	119,850
	Sum:	119,850

Major cost increases

Salaries - Increase in SCP and Apprentice rate

Major cost decreases and changes in income

No movement to report.

SFP04 Purchase Ledger

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	47,535	43,750	43,940	190
3000	Transport	25	40	40	0
4000	Cost Of Goods And Services	2,988	3,200	2,670	(530)
	Sum:	50,547	46,990	46,650	(340)

Cost Centre	Cost Centre Name	2020/21 Budget
FP400	Purchase Ledger	46,650
	Sum:	46,650

Major cost increases

No movement to report.

Major cost decreases and changes in income

No movement to report.

SFP05 Sales Ledger

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	42,240	43,750	43,940	190
3000	Transport	25	40	30	(10)
4000	Cost Of Goods And Services	1,484	1,570	1,570	0
	Sum:	43,748	45,360	45,540	180

Cost Centre	Cost Centre Name	2020/21 Budget
FP500	Sales Ledger	45,540
	Sum:	45,540

Major cost increases

No movement to report.

Major cost decreases and changes in income

No movement to report.

SHR01 Human Resources

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	260,363	294,990	316,610	21,620
3000	Transport	2,723	2,120	2,970	850
4000	Cost Of Goods And Services	55,367	32,470	29,490	(2,980)
	Sum:	318,453	329,580	349,070	19,490

Cost Centre	Cost Centre Name	2020/21 Budget
HR100	Human Resources	314,420
HR500	Health & Wellbeing	0
HR600	Health & Safety Officer	34,650
	Sum:	349,070

Major cost increases

Salaries - Inflation & approved restructure has increased salary base - partially off-set by salary savings within Payroll.

Major cost decreases and changes in income

No movement to report.

SHR02 Mddc Staff Training

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	28,081	33,040	33,750	710
4000	Cost Of Goods And Services	76	0	0	0
7000	Income	(525)	0	0	0
	Sum:	27,632	33,040	33,750	710

Cost Centre	Cost Centre Name	2020/21 Budget
HR200	Staff Development Training	33,750
	Sum:	33,750

Major cost increases

No movement to report.

Major cost decreases and changes in income

No movement to report.

SHR03 Payroll

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	58,470	56,100	48,350	(7,750)
4000	Cost Of Goods And Services	411	200	200	0
	Sum:	58,881	56,300	48,550	(7,750)

Cost Centre	Cost Centre Name	2020/21 Budget
HR300	Payroll	48,550
	Sum:	48,550

Major cost increases

Salaries - Approved restructure has resulted in a salary decrease.

Major cost decreases and changes in income

No movement to report.

SHR04 Learning And Development

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	38,496	34,600	41,010	6,410
3000	Transport	448	380	380	0
4000	Cost Of Goods And Services	10,741	11,190	11,190	0

	Sum:	49,685	46,170	52,580	6,410
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Cost Centre	Cost Centre Name	2020/21 Budget
HR400	Learning & Development	52,580
	Sum:	52,580

Major cost increases

Salaries - Approved restructure has resulted in salary increase.

Major cost decreases and changes in income

No movement to report.

SIT01 It Gazetteer Management

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	67,546	66,490	67,830	1,340
3000	Transport	31	50	50	0
4000	Cost Of Goods And Services	4,241	4,040	4,160	120
7000	Income	(1,503)	0	0	0
	Sum:	70,315	70,580	72,040	1,460

Cost Centre	Cost Centre Name	2020/21 Budget
IT100	Gazetteer Management	72,040
	Sum:	72,040

Major cost increases

No major movement to report.

Major cost decreases and changes in income

No major movement to report.

SIT03 It Information Technology

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	501,837	483,710	496,800	13,090
3000	Transport	639	970	970	0
4000	Cost Of Goods And Services	378,619	417,350	391,700	(25,650)
7000	Income	(4)	0	(600)	(600)
	Sum:	881,091	902,030	888,870	(13,160)

Cost Centre	Cost Centre Name	2020/21 Budget
IT300	Central Telephones	31,000
IT400	I.T. Network & Hardware	74,000
IT500	I.T. Software Support & Maint.	235,430
IT600	I.T. Staff Unit	309,440
IT700	Cyber Security	32,300
IT800	Phoenix House Printing	16,300
IT900	Digital Services	190,400
	Sum:	888,870

Major cost increases

Employees - salary inflation and movement in SCP.
Software - Idox support fees, increase budget for enterprise element £11k.
Support and maintenance for new contact centre £8k.

Major cost decreases and changes in income

Software - Client access licence which was a perpetual licence purchased in 19-20, so budget can be removed in 20-21 (£45k).

SLD01A Election Costs

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	4,861	0	0	0
2000	Premises	0	0	0	0
4000	Cost Of Goods And Services	12,015	0	0	0
7000	Income	(9,592)	0	0	0
	Sum:	7,284	0	0	0

Cost Centre	Cost Centre Name	2020/21 Budget
LD200	Election Costs - Parishes	0
LD201	Election Costs - District	0
LD202	Election Costs - General	0
LD203	Election Costs - European	0
LD204	Election Costs - County	0
LD206	Police Com Election	0
	Sum:	0

Major cost increases

No movement to report.

Major cost decreases and changes in income

No movement to report.

SLD01 Electoral Registration

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	108,053	108,370	110,990	2,620
3000	Transport	231	300	300	0
4000	Cost Of Goods And Services	67,088	105,350	115,960	10,610
7000	Income	(38,868)	(17,000)	(25,000)	(8,000)
	Sum:	136,504	197,020	202,250	5,230

Cost Centre	Cost Centre Name	2020/21 Budget
LD100	Electoral Registration	202,250
	Sum:	202,250

Major cost increases

Electoral boundary works - £30k budget in 2019/20 increasing to £45k in 2020/21.

Major cost decreases and changes in income

Electoral registration funding increase of £8k.

SLD02 Democratic Rep And Management

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	122,971	122,510	123,840	1,330
2000	Premises	150	200	0	(200)
3000	Transport	14,021	17,100	17,100	0
4000	Cost Of Goods And Services	331,902	337,870	342,030	4,160
7000	Income	(1,540)	0	(500)	(500)
	Sum:	467,504	477,680	482,470	4,790

Cost Centre	Cost Centre Name	2020/21 Budget
LD300	Democratic Rep & Management	360,210
LD400	Committee Services	122,260
	Sum:	482,470

Major cost increases

No major movement to report.

Major cost decreases and changes in income

No major movement to report.

SLD04 Legal Services

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	297,318	264,100	324,220	60,120
3000	Transport	144	300	300	0
4000	Cost Of Goods And Services	15,155	110,590	47,770	(62,820)
7000	Income	(32,098)	(27,200)	(19,200)	8,000
	Sum:	280,518	347,790	353,090	5,300

Cost Centre	Cost Centre Name	2020/21 Budget
LD600	Legal Services	353,090
	Sum:	353,090

Major cost increases

No movement to report.

Major cost decreases and changes in income

No movement to report.

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**ENVIRONMENT PDG
26 NOVEMBER 2019:**

PERFORMANCE AND RISK REPORT

Cabinet Member Cllr Luke Taylor
Responsible Officer Director of Operations, Andrew Pritchard

Reason for Report: To provide Members with an update on performance against the corporate plan and local service targets for 2019-20 as well as providing an update on the key business risks.

RECOMMENDATION(S): That the PDG reviews the Performance Indicators and Risks that are outlined in this report and feeds back any areas of concern to the Cabinet.

Relationship to Corporate Plan: Corporate Plan priorities and targets are effectively maintained through the use of appropriate performance indicators and regular monitoring.

Financial Implications: None identified

Legal Implications: None identified

Risk Assessment: If performance is not monitored we may fail to meet our corporate and local service plan targets or to take appropriate corrective action where necessary. If key business risks are not identified and monitored they cannot be mitigated effectively.

Equality Impact Assessment: No equality issues identified for this report.

Impact on Climate Change: This PDG has been tasked with considering the Council's own policy response(s) to the Climate Change Declaration made at Full Council on 26 June 2019.

1.0 Introduction

- 1.1 Appendix 1 provides Members with details of performance against the Corporate Plan and local service targets for the 2019-20 financial year. The PDG is invited to suggest measures they would like to see included in the future for consideration.
- 1.2 Appendix 2 shows the section of the Corporate Risk Register which relates to the Environment Portfolio. See 3.0 below.
- 1.3 Appendix 3 shows the profile of all risks for the Environment at present.
- 1.4 All appendices are produced from the corporate Service Performance And Risk management system (SPAR).

2.0 Performance

- 2.1 Regarding the Corporate Plan Aim: **Increase recycling and reduce the amount of waste: % of household waste reused, recycled and composted;** all the waste KPIs on Appendix 1 are better than target apart from the recycling rate which is marginally below. These are yet to be verified by DCC as is usual.
- 2.2 Regarding the Corporate Plan Aim: **Reduce our carbon footprint:** The Exeter University benchmarking of MDDC's Carbon Footprint as at 2018/19, along with the other Devon districts, is due by the end of December.
- 2.3 The Net-Zero Task Force has been appointed by the Devon Climate Emergency Response Group - made up of Devon's councils, emergency services and business groups - to deliver the Devon Carbon Plan.
- 2.4 The Carbon Plan will lay out in stark terms what every resident, organisation and business has to do to reduce emissions and safeguard the planet for the next generation. The Call for Evidence is open to everybody, and every submission will be reviewed by the Task Force. Submissions will feed into the creation of the Carbon Plan, which includes a series of thematic hearings in November and December.
- 2.5 Other: Waste services are also performing well financially with increased income from trade waste and recycling and the shared saving scheme for waste with DCC showing a surplus.
- 2.6 When benchmarking information is available it is included.

3.0 Risk

- 3.1 Risk reports to committees include strategic risks with a current score of 10 or more in accordance. (See Appendix 2)
- 3.2 Operational risk assessments are job specific and flow through to safe systems of work. These risks go to the Health and Safety Committee biannually with escalation to committees where serious concerns are raised.
- 3.3 The Corporate risk register is regularly reviewed by Group Managers' Team (GMT) and Leadership Team (LT) and updated as required.

4.0 Conclusion and Recommendation

- 4.1 That the PDG reviews the performance indicators and risks for 2019-20 that are outlined in this report and feeds back any areas of concern to the Cabinet.

Contact for more Information: Catherine Yandle, Group Manager for Performance, Governance and Data Security ext. 4975

Circulation of the Report: Leadership Team and Cabinet Member

Corporate Plan PI Report Environment

Monthly report for 2019-2020
 Arranged by Aims
 Filtered by Aim: Priorities Environment
 For MDDC - Services

Key to Performance Status:

Performance Indicators:	No Data	Well below target	Below target	On target	Above target	Well above target
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* indicates that an entity is linked to the Aim by its parent Service

Corporate Plan PI Report Environment																
Priorities: Environment																
Aims: Increase recycling and reduce the amount of waste																
Performance Indicators																
Title	Prev Year (Period)	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
<u>Residual household waste per household (measured in Kilograms) (figures have to be verified by DCC)</u>	182.68 (6/12)	365.00	36.52	66.32	93.65	123.30	154.52	181.78							Stuart Noyce	(April - September) On target with similar performance to 2018/19. (LD)
<u>% of Household Waste Reused, Recycled and Composted (figures have to be verified by DCC)</u>	54.20% (6/12)	54.00%	48.76%	52.78%	53.97%	54.16%	53.61%	53.67%							Stuart Noyce	(September) Small decrease in comparison to 2018/19 and against target. Residual waste has reduced by 32.0 tonnes; organic tonnage is up by 98 tonnes but dry recycling has reduced by 139 tonnes. This is mainly due to a reduction in paper which is a national trend. (LD)
<u>Net annual cost of waste service per household</u>		£45.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Stuart Noyce	
<u>Number of Households on Chargeable Garden Waste</u>	10,034 (6/12)	10,000	9,921	10,102	10,109	10,195	10,266	10,241							Stuart Noyce	(September) An increase of 2.06% compared to the same period in the previous year. (LD)
<u>% of missed collections reported (refuse and organic waste)</u>	0.04% (7/12)	0.03%	0.01%	0.01%	0.01%	0.01%	0.02%	0.02%	0.02%						Stuart Noyce	(September) Within target levels (LD)
<u>% of Missed Collections logged</u>	0.02% (7/12)	0.03%	0.02%	0.02%	0.02%	0.02%	0.03%	0.03%	0.02%						Stuart Noyce	(September) Within target levels. (LD)

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Corporate Plan PI Report Environment

Priorities: Environment

Aims: Increase recycling and reduce the amount of waste

Performance Indicators

Title	Prev Year (Period)	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
(recycling)																

Aims: Protect the natural environment

Performance Indicators

Title	Prev Year (Period)	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
<u>Number of Fixed Penalty Notices (FPNs) Issued (Environment)</u>	11 (6/12)		2	4	6	8	8	8							Stuart Noyce	

Environment PDG Risk Management Report - Appendix 2

Report for 2019-2020
For Environment - Cllr Luke Taylor Portfolio
Filtered by Flag: Include: * Corporate Risk Register
For MDDC - Services
Filtered by Performance Status: Exclude Risk Status: Low
Not Including Risk Child Projects records, Including Mitigating Action records

Key to Performance Status:

Mitigating Action:

Milestone Missed	Behind schedule	On / ahead of schedule	Completed and evaluated	No Data available
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Risks: No Data (0+) High (15+) Medium (6+) Low (1+)

Environment PDG Risk Management Report - Appendix 2

Risk: Climate Change Declaration The implications to the Council's strategic, budget and medium term financial plans are not yet fully explored and understood. This introduces an increased level of uncertainty.

Service: Governance

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
No Data available	Consideration by the Environment PDG	This PDG has been tasked with considering the Council's own policy response (s) to the Climate Change Declaration made at Full Council on 26 June 2019.	Catherine Yandle	19/07/2019	05/09/2019	No Score(0)
On / ahead of schedule	Establishing baseline and definitions	A Devon wide definition of "Carbon footprint" needs to be established so the County can work to a common formula.	Catherine Yandle	19/07/2019	05/09/2019	Satisfactory (2)

Environment PDG Risk Management Report - Appendix 2

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
		MDDC's own Carbon footprint will be calculated to establish a baseline for future measurement.				
Current Status: High (25)		Current Risk Severity: 5 - Very High		Current Risk Likelihood: 5 - Very High		
Service Manager: Catherine Yandle						
Review Note: The baseline Carbon footprint is due by the end of December.						

Risk: ST-Reduction in Garden Waste Customers Loss of income; reduction in recycling rate

Service: Street Scene Services

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
Completed and evaluated	Reminder to renew correspondence	To maintain the existing customer base	Lorraine Durrant	06/06/2019	05/07/2019	Fully effective(1)
Completed and evaluated	Social media campaigns & publicity	To ensure that information about the garden waste service reaches as many residents as possible	Lorraine Durrant	06/06/2019	05/07/2019	Fully effective(1)
Current Status: Medium (12)		Current Risk Severity: 4 - High		Current Risk Likelihood: 3 - Medium		
Service Manager: Stuart Noyce						
Review Note: See mitigating actions						

Risk Matrix Environment Appendix 3

Report

Filtered by Service: Grounds Maintenance, Street Scene Services
Current settings

Risk Likelihood	5 - Very High	No Risks	No Risks	No Risks	No Risks	No Risks
	4 - High	No Risks	No Risks	No Risks	No Risks	No Risks
	3 - Medium	No Risks	No Risks	2 Risks	2 Risks	No Risks
	2 - Low	No Risks	3 Risks	4 Risks	11 Risks	10 Risks
	1 - Very Low	1 Risk	5 Risks	4 Risks	2 Risks	2 Risks
		1 - Very Low	2 - Low	3 - Medium	4 - High	5 - Very High
		Risk Severity				

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